Daily Report

Central Eurasia

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FBIS-SOV-95-062 *31 March 1995*

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ITAR-TASS Carries Press Review for 31 Mar

LD3103064195 Moscow ITAR-TASS in English 0615 GMT 31 Mar 95

["Press Review"—ITAR-TASS headline]

[FBIS Transcribed Text] Moscow March 31 TASS—The privatisation process in Russia and prospects for it are the principal topic in today's newspapers. Many of them devoted reports to Thursday's meeting of the government to review the results of privatisation and the tasks of its second stage.

ROSSIYSKAYA GAZETA sums up the remarks made at the government meeting by Prime Minister Viktor Chernomyrdin.

ROSSIYSKIYE VESTI reports that as of now 112,625 enterprises or 46 per cent of all economic entities have been privatised in Russia. Nevertheless the state remains the major owner of production facilities, the newspaper points out.

Newspapers touch upon preparations for the 1996 presidential elections in Russia.

IZVESTIYA believes that the formation of the electorate is being promoted by firms which have deceived tens of millions on their depositors. Within one week alone, two "parties of deceived depositors" have been set up in Moscow—a People's Union and Pravda. The newspaper predicts that the two parties may "seriously influence the outcome of the forthcoming elections".

The newspaper PRAVDA believes that preparations for the elections proceed "mainly within Moscow's garden ringroad. The newspaper points out that "many make a serious error, forgetting about Aleksandr Rutskoy. According to PRAVDA's estimates, his chances to become president of Russia are rather high.

Today's newspapers describe the crime situation and run crime- columns items, reports from court-rooms, and give the opinions of experts.

TRUD writes that about seven per cent of Russia's population are connected with organised crime. Alexey Alexandrov, chairman of the State Duma subcommittee on national security, has told the newspaper about "the involvement of many prominent persons" in mafia activities.

Alexandrov said "Russia's state budget deficit in recent years is rather close to the amount of financial resources being controlled by the shadow economy".

KOMSOMOLSKAYA PRAVDA gives the opinion of a psychiatrist at one of special clinics of Donetsk that a person who ordered the assassination of television journalist Vladislav Listyev was a psychopath. In this connection the physician dwells on the problem of the development of psychotropic drugs to influence man's subconsciousness.

RABOCHAYA TRIBUNA carries an interview with academician Yuriy Khudin, director of the A.A. Skochinsky Institute of Mining and member of the Academy of Mining Sciences, that coal production in Russia is 75 percent lower than in the United States and China. He believes that a further cut in coal production would prompt the need to import coal.

RABOCHAYA TRIBUNA has interviewed Serafim Afonin, chairman of the Russian committee for metallurgy, who dwells on the state of affairs in and prospects for the metallurgical industry of Russia. His estimate is that the slump in the output of key types of metal products has been checked.

KRASNAYA ZVEZDA carries a front-page article by cosmonaut-researcher Valeriy Baberdin, about Russia's achievements in space research. Baberdin believes that the space endurance record of Valeriy Polyakov, who spent 438 days aboard the orbital station Mir, proves the feasibility of a space expidition to Mars.

KRASNAYA ZVEZDA touches upon "nuclear resources and nuclear ambitious" of a number of countries. The newspaper briefly summarises the estimates and conclusions made by Russia's Foreign Intelligence Service about the nuclear potential of argentina, Brazil, India, Iraq, Iran, North Korea, Pakistan, South Africa, and Japan.

Council of CIS Border Troop Chiefs Opens in Ashgabat

LD3003165095 Moscow Ostankino Television First Channel Network in Russian 1150 GMT 30 Mar 95

[From the "Novosti" newscast]

[FBIS Translated Text] [Announcer Aleksandr Panov] When we are talking about hot spots on the CIS map we immediately think about the service of border guards. Well, a conference of the Council of the CIS Border Troops Command was opened in Ashgabat, the capital of Turkmenistan, today.

[Correspondent Kurban Babayev] The conference focused on the concept of the protection of the CIS external borders and a draft agreement on cooperation in protection of the borders with the states that do not belong to the Commonwealth. The conference also discusses issues relating to strengthening the fight against drugs smuggling. The session was opened by Turkmen President Saparmurad Niyazov. The council of the Commonwealth Border Troops Command is intending to discuss the comprehensive plan worked out by experts, on settling the situation on the Tajik-Afghan border.

[Begin Andrey Nikolayev recording, director of the Russian Federal Border Service] An inspection has been held of all the groupings of the border troops, including the contingents from Kyrgyzstan, Kazakhstan, the interacting contingent from Uzbekistan stationed there

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[Tajik-Afghan border], as well as the contingent provided by Tajikistan itself, of the readiness of these contingents to accomplish the tasks set for them. There are a number of issues that we will discuss here, at the command's conference. After the decision is taken and signed in the wording that has been prepared by experts it will be submitted to the heads of state for full implementation. [end recording]

Attendees Back Border Protection Concept

LD3003192995 Moscow ITAR-TASS in English 1821 GMT 30 Mar 95

[By ITAR-TASS correspondent Anna Kurbanova]

[FBIS Transcribed Text] Ashgabat March 30 TASS—Eight out of the 11 CIS Border Service chiefs present at the Ashgabat meeting of the Council of Commanders backed the draft concept for the protection of CIS exterior borders. The border troop commanders of Turkmenistan, Ukraine and Azerbaijan spoke against the document.

In an interview with TASS, Turkmen Border Troop Commander Akmurad Kabulov [name as received] said the main provisions of the concept ran counter to the position of neutrality chosen by his country, its military doctrine and constitution. Nevertheless, Turkmenistan will continue cooperating with Russian border troops on the basis of a bilateral agreement.

Commenting on the stand taken by Azerbaijan, its Border Troop Commander Abbas-Ali Novruzov [name as received] noted that the proposed concept tended to restrict his country's sovereignty. As for the Ukrainian commander, he declined to give any comments.

At a news conference following the meeting, journalists were told that the item on joint actions by border troops to fight drug- trafficking had been excluded from the agenda, because it had not been properly prepared.

Summing up the results of the meeting, Russia's Federal Border Service Director Andrey Nikolayev said the draft concept would be submitted for CIS heads of state to discuss at their summit this may. The concept is open for other countries that may wish to join it.

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Christopher Cited on Russia Policy, Iran Nuclear Deal

MM3103084895 Moscow IZVESTIYA in Russian 31 Mar 95 p 1

[Report by Vladimir Nadein: "'Russia Will Rue the Day,' Claims Secretary of State Christopher Referring to Iranian Nuclear Deal"]

[FBIS Translated Text] Washington—If last Wednesday Andrey Kozyrev had been not in the Near East but in the main auditorium at Indiana State University it would have been virtually a replay of his recent talks in Geneva with U.S. Secretary of State Warren Christopher.

As it happens, one very important fact differentiated Indiana from the Swiss capital. There were several hundred people in the university auditorium. In other words, in a matter of weeks secret diplomacy has come out into the open.

As far as the proposed sale to Iran of four Russian reactors for a total of $1 billion is concerned, the head of U.S. diplomacy was just as inflexible as he was in Geneva.

"Russia is Iran's neighbor. It will rue the day it started cooperating with this terrorist state if Iran builds nuclear weapons with the benefit of Russian expertise and equipment," Christopher said. "That is too dangerous. It must not be permitted."

Although Mr. Christopher was speaking far from Washington, his speech was broadcast over the radio at the State Department building. As a U.S. diplomat put it, his boss was rehashing for the university audience all the arguments he had used in the discussion with the Russian minister—and in much the same tone.

Although Kozyrev gave no reason to expect any major change in Russian policy, Christopher nonetheless confidently said that the new U.S.-Russian working group would be able to settle the dispute. "Russia should take account of the fact that none of the leading industrial states cooperates with Iran on nuclear issues," the secretary of state said.

Developing this idea, the secretary of state said that the expansion of Russian participation in the leading Western states' forums would depend on the assessment of Russia's behavior by world public opinion. Russia is staking a claim to full participation in the annual conference of the world's leading industrial countries. Hitherto it has been allowed access only to the political part of the meeting. Christopher made a link not only between the level of Russia's participation in the next G-7 summit in the Canadian city of Halifax but also its participation in the European communities when he called the strong-arm resolution of the Chechnya problem "tragically wrong."

But the sharp criticism of the Kremlin's recent actions and intentions was accompanied in Christopher's speech by a vigorous defense of the current thrust of U.S. policy vis-a-vis the former USSR. He called it the "pragmatic policy of engaging Russia" in the world community. "Aid has put us on the right side in the struggle for change in Russia," the secretary of state said, again emphasizing the administration's intention to obtain from Congress full payment of the $788 million which was promised to Russia and the other former Soviet republics.

The congressional decision—which has not yet become law since it has not been signed off on by the President—envisages cutting a number of programs, including payment for accommodations for Army officers. But the cuts did not affect aid under programs such as the dismantling of the former Soviet nuclear arsenal.

Nuclear Energy Official Defends Cooperation With Iran

LD3003160095 Moscow Voice of Russia World Service in English 1500 GMT 30 Mar 95

[FBIS Transcribed Text] An official of the Russian Atomic Energy Ministry has said that Russian-Iranian cooperation in the nuclear field is fully compatible with the nuclear Non-Proliferation Treaty. The official, Georgiy Kaurov, was speaking in an interview with the Voice of Russia radio station. As he commented on official Washington's strong objections to that effect, he said that Russia was building a light water reactor for Iran that is incapable of generating weapons-grade plutonium. Iran has pledged to return the waste fuel to Russia. The International Atomic Energy Agency has on several occasions checked into Iran's observing the treaty and has not detected a single violation. Russia is finishing the construction of a one million kW reactor in Iran, in compliance with a contract to the sum of $800 million. Iran wants another such reactor and two more, 440 MW each.

Official Sees 'No Grounds' for Revising Iran Nuclear Deal

MM3003160395 Moscow IZVESTIYA in Russian 31 Mar 95 p 3

[Report by Maksim Yusin: "Moscow Sees No Grounds for Revising Nuclear Deal With Iran"]

[FBIS Translated Text] The emotional speech by U.S. Secretary of State Warren Christopher calling on Russia to stop cooperating in the nuclear sphere with the Iranian "terrorist regime" is unlikely to have any effect. By all accounts, Moscow has no intention of giving up the estimated $1-billion contract to construct an atomic reactor in the city of Bushehr, signed in January this year.

"I see no grounds for revising the contract," IZVESTIYA was told by a well-informed Foreign Ministry official, who wished to remain anonymous. "The IAEA [International Atomic Energy Agency] commission that worked in Iran in 1993 found no evidence of work to create nuclear weapons being carried out in the country.

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Washington's charges against Tehran are of an unsubstantiated nature, we prefer to be guided by the facts and by the norms of international law, under which any state can carry out peaceful research in the atomic sphere."

However, our interlocutor did acknowledge that Russian-Iranian nuclear cooperation has become a stumbling block in relations between Moscow and Washington and that this does cause special concern in the runup to Bill Clinton's visit.

The U.S. President will most likely use his meeting with Boris Yeltsin to try to influence the Kremlin's position. Last year he was able to persuade the Russian leader to scale down military cooperation with Tehran. But this time Moscow seems to be more resolute and there is no guarantee that "friend Boris" will agree with "friend Bill's" arguments.

In the opinion of a representative of the Ministry of Atomic Energy, the chief lobbyist for the deal on the Russian side, the contract with Iran does not breach the Treaty on the Nonproliferation of Nuclear Weapons. Ministry experts consider that the reactor under construction in Bushehr is not suitable for the production of fissile materials.

Perry's Visit, Discussion Topics Previewed

MM3103091695 Moscow KRASNAYA ZVEZDA in Russian 31 Mar 95 p 3

[Article by Mikhail Pogorelyy: "Pentagon Chief To Arrive in Moscow 1 April"]

[FBIS Translated Text] Washington has announced the program and main aims of U.S. Defense Secretary William Perry's tour of a number of former Soviet republics. The Pentagon chief's itinerary will take him to Kiev, Moscow, Almaty, and Tashkent. The strategic questions of Perry's talks in these capitals will be the problems of regional security, the nonproliferation of mass destruction weapons, and ensuring the safe storage of nuclear ammunition and fission materials.

The visit to Russia will be the longest of the tour—1 through 4 April. Despite the "joke" arrival date in Moscow, the U.S. secretary of defense intends to do some serious work here. USIA has reported that Perry has scheduled meetings with Russian Prime Minister Viktor Chernomyrdin, Defense Minister Army General Pavel Grachev, Foreign Ministry chief Andrey Kozyrev, leaders of both chambers of parliament, and "possible 1996 presidential election candidate Grigoriy Yavlinskiy." It can be assumed that Perry intends to preliminarily "run through" the questions which will be discussed in Moscow during U.S. President Bill Clinton's upcoming visit in May.

According to reports from U.S. sources the Pentagon chief will propose to Russian politicians that there be discussion of problems associated with the ABM and START-2 Treaties and with Russia's participation in the implementation of NATO's "Partnership for Peace" program. A Pentagon spokesman states that during talks with Army Gen. Grachev Perry "will, of course, discuss the situation in Chechnya" and familiarize the Russian Federation defense minister with the U.S. viewpoint on this subject. Perry intends to devote great attention to the practical aspects of assisting Russia in the matter of nuclear disarmament within the framework of the Nunn-Lugar program. Specifically, the U.S. secretary of defense will visit the strategic bomber airbase in Engels, where he will be present during the destruction of several aircraft earmarked for scrapping under the terms of the START-1 Treaty.

Perry will be accompanied on his tour by his deputy, John Deutch (recently recommended by President Clinton for the post of CIA chief), and Strobe Talbott, U.S. deputy secretary of state in charge of problems concerning former Soviet republics.

Russian Ambassador 'Optimistic' About May Summit

LD2703195295 Moscow ITAR-TASS in English 1857 GMT 27 Mar 95

[By ITAR-TASS correspondents Vladimir Kikilo and Arkady Sidoruk]

[FBIS Transcribed Text] Washington March 27 TASS—The ambassador of the Russian Federation to the United States and the U.S. ambassador to Russia are optimistic about the forthcoming Russo-American summit which is due to be held in Moscow in May.

"Certainly, we are expecting this meeting to be a success. We are also hoping for the further deepening of partnership relations between our countries," Russian Ambassador Yuliy Vorontsov told ITAR-TASS at a news conference held at the Washington National Press Club today.

"Both presidents—Bill Clinton and Boris Yeltsin usually succeed in this. Each time they meet the presidents take serious steps in establishing a new type of relations between our countries," the Russian ambassador to Washington noted.

In his turn, U.S. Ambassador to Moscow Thomas Pickering told ITAR-TASS that he fully shared the viewpoint of his Russian counterpart. He said he thought President Bill Clinton would have a good opportunity to address the Russian people.

According to Thomas Pickering, the majority of Russians he had occasions to meet, expressed profound gratitude in connection with the fact that the American President realized the vital importance for Russians of the oncoming anniversary of the great victory they had gained.

The American ambassador believes that the meeting of the two presidents will give them the important possibility to exchange their views when the state of bilateral relations

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obviously requires this, which would allow the United States in the future to render full support for economic reforms and the process of democratization in Russia.

Economic Problems Dog START Implementation

MM2403132095 Moscow KRASNAYA ZVEZDA in Russian 23 Mar 95 p 3

[Report by Gennadiy Obolenskiy: "Count Seven Times"]

[FBIS Translated Text] A new phase in the active implementation of the requirements of the Strategic Offensive Weapons Treaty [START], which entered into force 5 December 1994, started in the first few days of March. Up to three or four U.S. inspection groups consisting of 15 people each are now operating on Russian territory at any one time. Consequently, escorts are needed—numbering approximately as many people—as well as a special airplane, automobile transportation, hotel accommodations, and meals. All this means considerable expenditure and, given the meagerness of our resources, requires great effort.

Incidentally, it must not be thought that these are all ultimately trifles. The economic difficulties we are experiencing have already led to a situation whereby we are not in a position to carry out some of our treaty commitments fully. Thus, because of the impossibility of ensuring the repair of shipboard measuring units designed to carry out telemetric recordings during launches of Russian submarine-launched ballistic missiles at the initial phase of their flight, we cannot (although under the treaty we must) give the Americans tapes of such recordings. We simply do not have them.

The following significant question arises in this connection: How realistic at times are the proposals to accelerate the implementation of the START Treaty requirements? They look very attractive. But after all, any significant reduction in the deadline for implementing the treaty beyond the seven years envisaged during its conclusion requires additional expenditure, according to specialists' estimates running into not even billions but trillions of rubles. The only problem is that we do not know where to get the money from. After all, the state has still not settled its accounts for work done to reduce strategic offensive weapons before the treaty officially came into force. Indeed, this is not just a question of expenditure directly connected with the reductions. These generate the need for many—also expensive!—related measures. For example, ensuring the reliable storage of submarine nuclear reactors after they are withdrawn from the force composition.

Sometimes people like to recall that the Americans are helping us to implement the reduction of strategic offensive weapons and that, in accordance with the Nunn-Lugar law, Washington is allocating considerable funds to us for these purposes. This is either a deliberate or an involuntary delusion. The United States does not provide any funds at all. In accordance with a special agreement between the Russian Federation State Committee for the Defense Sectors of Industry and the U.S. Defense Department we are given equipment for the elimination of weapons. And the entire value of this equipment has not yet gone beyond $100 million, which only constitutes a small part of our expenditure for these purposes. Indeed, we are not receiving what particularly interests us at all. This includes, for example, equipment for the hydraulic removal of the solid fuel charges of the rockets being eliminated, in which the Americans have accumulated a great deal of experience in terms of creation and use. After all, at one time, when the START talks had only just ended, they promised to do this.

We must state all this loudly and clearly because a review of the even larger-scale START II Treaty by our parliament is not far off. We have to study to what extent the provisions of that treaty correspond to Russia's interests, whether they are in line with the international situation and do not undermine our economy to such an extent that it will not be able to stand on its own feet again.

Yeltsin Press Aide on Possible START III Talks With Clinton

MK3103074095 Moscow NEZAVISIMAYA GAZETA in Russian 31 Mar 95 p 2

[Report by Anna Ostapchuk in the "In Brief" column: "START III—Merely a Possibility"]

[FBIS Translated Text] Sergey Medvedev, Boris Yeltsin's press secretary, commented to NEZAVISIMAYA GAZETA on Boris Yeltsin's statement, made in Ryazan, regarding speeding up work on the START III treaty and the prospects of nuclear disarmament in the near future. He recalled that the president touched on the same problem at his meeting with the "Big Seven's" leading journalists. Already then, "the president's statement about his aspiration to achieve the complete elimination of nuclear weapons by 2010-2015 was taken as an unexpected and effective initiative." According to Mr. Medvedev, however, at both meetings, the president "spoke in general terms, merely outlining the general goal of foreign policy." As for the treaty on strategic armaments reduction, priority should be given today to the ratification of the START II treaty; the president's statement means solely that he intends to work, at the same time, on future-oriented projects. Mr. Medvedev admitted, however, that by making such repeated statements, the president is suggesting that he would also like to discuss these matters with his American counterpart Bill Clinton during the latter's visit to Moscow in May.

Deputy Hits U.S. Embassy's Refusal of Visas

MM3003155095 Moscow PRAVDA ROSSII in Russian 30 Mar 95 p 4

[Report by Naum Podolskiy: "Why Does Lipitskiy Not Go to Lunch at Spasso House?"]

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[FBIS Translated Text] As we know, no sooner had we raised the iron curtain than it was firmly lowered on the other side of the ocean. To obtain a U.S. entry visa our people have to convince consular officials that they have no intention of becoming illegal immigrants. And it is impossible to appeal against even a totally unjustified consular decision to place a visa seeker on the blacklist of those whose movement is permanently restricted ["nevyyezdnyye"] because the rights of the petitioners crowding outside the embassy's walls are not protected either by our laws or the American Constitution. However, the extraordinary vigilance of the consular officials is perfectly understandable: It only needs one alien to outstay his welcome with Uncle Sam and the official who gave him his visa can wave his career good-bye.

State Duma Deputy Vasiliy Lipitskiy, cochairman of the Russian Social Democratic Union, recently threw down the gauntlet to the U.S. Embassy in Moscow. Vasiliy Semenovich himself has long had a diplomatic passport so he has no problems in this regard, but on one occasion some voters from Novosibirsk appealed to him for help. An innovative joint project with the Americans was being introduced at their enterprise. First some guests arrived from across the ocean, then it was the Siberians' turn to pay a return visit. But their official trip ended outside the U.S. Embassy in Moscow: One man was refused a visa because he was unmarried (one wants to add "and nonparty"), another because of his low salary.

In protest at the discrimination against our citizens and the gross violation of human rights Deputy Lipitskiy has been boycotting America for two months now, ignoring the regular invitations to lunches and cocktails at Spasso House (as the Moscow Yankees and the capital's beau monde call the U.S. ambassador's residence). To be blunt, of course, this is not a hunger strike and the prominent politician has a great choice of business and cultural events to attend, but he is not keeping things to himself. The Social Democrat is urging all Russian public figures to join his boycott of the events put on by the U.S. Embassy and has already won over five or six fellow deputies.

Our Foreign Ministry has also responded. Deputy Minister G.E. Mamedov reported that "a conversation has been held with U.S. Embassy Counselor-Envoy R. Matez [name as transliterated] during which it was pointed out in harsh terms that the U.S. Embassy's discriminatory measures against Russian citizens are intolerable." But nothing has changed. According to Lipitskiy, the envoy's official response to his statement "was very formal and clarified nothing."

NATO Expansion Could Prompt Call To Amend CFE Treaty

MM3003140095 Moscow PRAVDA ROSSII in Russian 30 Mar 95 p 3

[Article by Nikolay Nikolayev: "Harmonization, NATO-Style. Consequences of North Atlantic Bloc's Expansion for European Security"]

[FBIS Translated Excerpt] [passage omitted] On 16 February the U.S. House of Representatives adopted a draft law on strengthening national security which supports the entry of Poland, Hungary, the Czech Republic, and Slovakia into NATO. It also adopted Congressman J. Spratt's amendment which stipulates that the "main national security priority is to ensure the operational readiness of American troops and the modernization of existing arms systems." There is no doubt that the implementation of this law by the United States, the leading NATO power, could embroil Europe, Russia, and then the rest of the world in a qualitatively new round of the conventional arms race on the pretext of modernizing those arms.

The more far-sighted U.S. politicians have drawn attention to the dangerous and unpredictable consequences of the draft law which has been adopted and which serves only the narrow group interests of the military-industrial complex. For example, R. Gephardt, the minority leader in the House, urged members of the House to reject the draft law on national security. He said that when the politicization of NATO begins and the question of which countries to admit or reject is being resolved, it will jeopardize all the achievements that the U.S. executive and legislature have made in the foreign sphere over many years.

The newspaper DELOVOY MIR recently highlighted the purely "commercial" aspect of the U.S. interest in NATO's expansion: "By entering the alliance, the East European countries' armed forces will be forced whether they like it or not to forego arms and hardware made in Russia or based on Russian designs. They will be replaced by tanks, planes, automatic rifles, and so forth produced at plants in NATO countries." The newspaper also pointed out that "a side effect of NATO membership for them will accordingly be the closure of defense production units and the loss of an important source of hard currency budget revenue.... The Russians are certainly not indifferent to these plans. We stand to lose an arms export market and no one is going to reimburse our losses."

The result of the entry of Poland, Hungary, the Czech Republic, and Slovakia into NATO will actually be that the alliance is able to double the amount of its conventional arms in central Europe and on the borders with Russia, Belarus, and Ukraine. Consequently, if NATO is interested in admitting the four Central European states but at the same time wants to keep Russia and the other East European states within the CFE Treaty it is logical to assume that talks will be held in the near future aimed at amending the treaty, to eliminate the imbalance which has developed in central Europe.

There is no need to set up extra forums for such talks, they have already been created and are operating in connection with the process of fulfilling the CFE treaty. All that it needs is for Russia's political leaders to take the problem of the country's security seriously.

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Economy Minister Looks Forward to Halifax Summit

LD2803064595 Moscow ITAR-TASS in English 0620 GMT 28 Mar 95

[By ITAR-TASS correspondent Nikolay Setunskiy]

[FBIS Transcribed Text] Montreal March 28 TASS—"The Russian president expects the forthcoming Halifax summit of the seven best developed industrial countries to become a milestone in deepening Russia's participation in the solution of global problems and in enhancing its status in this prestigious club," Russian Minister of Economy Yevgeniy Yasin told ITAR-TASS on Monday.

Yasin attended as a personal representative of President Yeltsin a conference of representatives of heads of state of the countries, due to take part in the June summit, which ended recently in Vancouver and which discussed preparations for the summit. He told ITAR-TASS in the interview that Russia had become a full member of the "political eight"—the world's eight leading countries. "Everybody recognises the fact that Russia's influence in the sphere of world politics is rather great, and that there are many problems which just cannot be resolved without Russia's participation. These include nuclear security and conflicts in the former Yugoslavia and other hotbeds of tension," he pointed out.

At present "Russia in its new capacity is trying to strengthen its positions in the international arena and consolidate its status of a great power, which has a universal reputation ... The process of its integration into a group of the most influential countries is under way, although as an economic entity our country still cannot be on a par with other countries, included in this club," Yasin continued.

According to the minister of economy, the process of Russia's turning into a full member of the club "was felt in Vancouver as well, where a personal representative of the Russian president took part for the first time in the discussion and the preparation of a summit together with representatives of heads of state of other countries, and where we were accorded a friendly welcome."

Economics Minister Yasin on Upcoming G-7 Meeting

MM3003155395 Moscow IZVESTIYA in Russian 31 Mar 95 p 4

[Report by Aleksey Portanskiy: "Minister Yasin Paves Way to Halifax for President Yeltsin"]

[FBIS Translated Text] Montreal-Moscow—The latest G-7 summit, to which Russian President Boris Yeltsin has been invited, will be held in Halifax in mid-June. The other day in Vancouver there was a working meeting of the representatives (sherpas) of the G-7 countries preparing for the coming summit. Taking part on the Russian side was Economics Minister Yevgeniy Yasin.

Sherpa is the Nepali name for the guides who lead Everest mountaineers to their goal. But they themselves do not climb to the summit, leaving the last phase of the journey to the final assault group. What has our sherpa-minister done to ensure that the president successfully climbs the Halifax Everest? Answering that question in an exclusive interview with an IZVESTIYA correspondent in the aircraft returning from Canada, Yevgeniy Yasin showed a certain amount of restraint that, in his opinion, was justified by the fact that the meeting of sherpas is confidential.

"Since last year's Naples summit there has been an active expansion of Russia's participation in the G-7 and, as is well- known, the formation of a political G-8 has been recorded," the minister stated. "Consequently, we now have to divide up the agenda, since Russia is not yet taking part in the economic side of the summit. This, indeed, was discussed in Vancouver—how Russia would take part, in what form, and in the discussion of which issues.

"It can already be said that the Russian president will be invited to discuss issues such as the safeguarding of nuclear safety, disarmament, and the fight against international crime outside of the political G-8 framework. There should be some kind of promotion for Russia to the G-7 following Naples—at least, that is our goal.

"But compared with the time of the previous summit the political situation in Russia itself has changed—and not for the better. As the practice of Moscow's relations with the outside world shows, the West is taking account of this factor and sometimes obstructs the implementation of agreements previously reached with us, citing human-rights violations."

Anticipating a similar situation at the forthcoming Halifax summit, Yevgeniy Yasin himself took the initiative of sketching out for those present the state of the Chechnya crisis, stressing that there are functions which the state cannot abandon, and that the resolution of problems such as preserving the country's integrity cannot be handed over to the extreme opposition. As the minister put it, his foreign colleagues were understanding about his explanations and did not "tread on his toes."

At the same time, the G-7 representatives were very interested in the political situation in Russia, the crime situation, and investment opportunities. According to the economics minister, we should not count on any great investment activity on the part of all the G-7 in the immediate future. In this sense Russia should devote paramount attention to areas where there is available capital. In other words, apart from the United States, potential investors should be attracted from Japan, the Arab Emirates, and the states of Southeast Asia.

The summit organizers came up with a somewhat unexpected "introduction" even before the sherpas' meeting in Vancouver. The fact is that Canada has decided to

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reduce the total number of summit participants by more than half in comparison with Naples. It was no accident that Halifax—a comparatively small city with no more than 2,200 hotel beds—was selected. For instance, journalists have already been warned that they will be accommodated in a radius of up to 100 km from the summit venue.

The Russian delegation's quota is to be 100. Taking account of all the previous visits of official presidential delegations to such events it will be very difficult for us to keep to this figure. Although, in Yevgeniy Yasin's opinion, this decision by the organizers can be easily understood—the meeting should be businesslike, and the presence at it of a considerable number of people who are not direct participants is not always useful.

Moscow To Propose 'Vancouver to Vladivostok' Alliance Zone

LD2703164595 Moscow INTERFAX in English 1620 GMT 27 Mar 95

[From the "Diplomatic Panorama" feature: Reports by our diplomatic correspondents Aleksandr Korzun, Igor Porshnev, Yevgeniy Terekhov, and others]

[FBIS Transcribed Text] Moscow, Mar 27 (INTERFAX)—The creation of a space of stability, security and cooperation from Vancouver to Vladivostok, with all OSCE member-states taking part, is the essence of the proposals, which the Russian side intends to advance at the session of the Ruling Council of this organization, in Prague on March 30-31. The statement was made for INTERFAX on Monday by Director of the Russian Foreign Ministry's Department For All-European Cooperation Yuriy Ushakov.

He said that the forthcoming OSCE [Organization for Security and Cooperation in Europe] conference marks the beginning of a dialogue on the creation of a model for a comprehensive security for the Europe of the 21st century.

Ushakov said that the Russian proposals are "not a ready-made plan." "They are rather a set of ideas, called upon to help find answers to the main problems which threaten the unity and security of Europe," he said.

Ushakov believes that "the main problem is that the All-European idea is opposed by the models which envisage the creation of new barriers or dividing lines between the states." He, however, expressed confidence that "the idea of general cooperation will triumph finally."

He said that the Moscow variant gives a certain place also to the regional international organizations, including NATO.

"We do not want to interfere in the internal life of those organizations, of which we are no members. But, naturally, we intend to discuss the problems of the "division of labor" between them, questions associated with the development of cooperation, as well as with their further transformation within the framework of a new model," he said.

Speaking about approximate period for the development of a new model, the diplomat said that this is "a long process, which will cover 2-3 years."

According to Ushakov, following the session of the Ruling Council, a routine work will begin, within the framework of the OSCE Standing Council, over forming the main principles, on which the likely future model of the European security will be based.

The diplomat said that a seminar on the subject is to be held in Vienna approximately in September. In December, at the meeting of the OSCE Council of Ministers, representatives of Hungary, which chairs the organization, will report of the first results of the discussion of an all-European security model, and further steps for its development will be outlined at that period.

The OSCE summit in late 1996 in Lisbon, will be another stage, after which the work will continue.

Ushakov said that the Russian side at the Prague conference will be represented by Deputy Foreign Minister Nikolay Afanasyevskiy.

Sources in the Russian Foreign Ministry told INTERFAX that on the agenda of the conference is also the discussion of ways to settle conflicts in some "trouble spots", first of all, the conflict in Nagorno-Karabakh and the Chechen crisis.

Norwegian 'Reconnaissance' Vessel Spotted off Kola Peninsula

MK3103083095 Moscow MOSKOVSKIY KOMSOMOLETS in Russian 31 Mar 95 pp 1, 2

[Report by Aleksandr Khinshteyn: "The Incident in Grid Square 36-80. Foreign Intelligence Services Terrorize the Russian Navy"]

[FBIS Translated Excerpt] A major scandal is unfolding around the unprecedented impudence of foreign navies. [passage omitted]

As Vladimir Pyzh, Northern Fleet press center chief, told us in a phone conversation, at present another foreign ship—a vessel called Sverdrub-2 under the Norwegian flag—is cruising near Russian shores, again in the region of the Kola peninsula, 30 to 35 km away from land, engaged in active long-range sonar reconnaissance. The interesting part is that the vessel is considered to be a research craft, but for some reason is assigned to... the Norwegian Navy.

By all international laws, any vessel engaged in such activity (not spying, but research), prior to entering neutral waters, which are an economic zone, must notify the adjacent country. The Norwegians have not done so.

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But even this is not all. Not so long ago the Sverdrub-2 already appeared in the Kara Sea, was spotted, and hastened to move to another place. At the moment you are reading these lines, the ship must still be plying in proximity to our borders. According to information in our possession, today the Ministry of Foreign Affairs is to receive an official protest from Northern Fleet Commander Oleg Tikhomirov, whose subordinates managed to photograph the Norwegian vessel from various angles. The ministry is expected to forward the protest note to the Norwegian Government.

Both the seamen and the diplomats have been taught by bitter experience. On 2 November last year Northern Fleet units spotted a submarine near Russian water borders, which hastened to leave the zone of visibility. The fleet command, which had managed to record the specific characteristics of the transgressor (it is very easy to establish the type of submarine and its "nationality" by its noise pattern and heat trail), announced that it was a U.S. craft. Washington, however, instead of apologizing, treated the Northern Fleet command to an angry bout of criticism. It was said in particular that the United States is not obliged to account for its Navy activity and that it does not consider the arguments by the Russian side convincing enough. [passage omitted]

Foreign Ministry Spokesman on Bosnia Contact Group Meeting

LD3003143695 Moscow INTERFAX in English 1248 GMT 30 Mar 95

[FBIS Transcribed Text] MOSCOW, Mar 30 (Interfax)—Members of the Contact Group for Bosnia proceed from the assumption that the large-scale offensive launched by the Muslim government forces "is fraught with a new spiral of military confrontation," Russian Foreign Ministry spokesman Nikita Matkovskiy said at Thursday's briefing. He commented on the results of the session held by the Contact Group in London Monday.

According to him, at the same time Contact Group members expressed concern about the activity of the Serbs, who heavily shelled a number of areas. "This also leads to destabilizing the situation in the region, and is fraught with massive civilian casualties," the diplomat said.

Moscow's attitude is invariable, Matkovskiy pointed out. Russia believes that the process of mutually recognizing the new states formed in the former Yugoslavia must be accompanied by the lifting of sanctions imposed on the new Yugoslavia.

"Belgrade accepted the Contact Group's plan and distanced itself noticeably from the Bosnian Serbs, who failed to react duly to the world community's proposals and demands. Such a stand should undoubtedly be encouraged, not only noted," Matkovskiy pointed out.

Gromov: There Can Be No Single Fleet Under Dual Command

LD2403183795 Moscow ITAR-TASS in English 1729 GMT 24 Mar 95

[By ITAR-TASS parliamentary correspondent Pavel Kuznetsov]

[FBIS Transcribed Text] Moscow March 24 TASS—Sevastopol must be retained as the Black Sea Fleet's [BSF] chief base, and the fleet "must fly the flag of one state, whose interests it represents and whose political tool it is," according to the Russian Navy commander, Admiral Feliks Gromov.

The admiral addressed the State Duma today to tell parliamentarians that there can be "no single fleet" under the dual command of Ukraine and Russia.

"The fate of the Black Sea Fleet will hang in the balance until the question about its chief base is decided," the admiral said and added that questions relating to Russian-Ukrainian talks on the status of the city of Sevastopol were not within his competence.

"A single Black Sea Fleet under erratic command will be a strange structure, he said.

He said the uncertainty was threatening catastrophe to the fleet since many ships were in disrepair because it is not clear who will own them tomorrow, particularly since Ukraine has practically avoided financing the Black Sea Fleet for a long time.

In this connection he noted that "we are satisfied that 82 percent of the fleet will be ours under the treaty, because we will simply be unable to maintain a greater number of ships".

Black Sea Fleet Commander Says Ukraine Talks 'Useless'

MM3003144395 Moscow PRAVDA in Russian 30 Mar 95 p 1

[Report by Nikolay Musiyenko: "Crimea: 'Most Useless Talks'"]

[FBIS Translated Text] The talks on dividing up the Black Sea Fleet, which have been going on for more than a year between Russian and Ukrainian government delegations, could "be entered in the Guinness Book of Records as the most useless and confused," Admiral Eduard Baltin, commander of the Black Sea Fleet, declared at a meeting with journalists in Sevastopol. In his opinion, in order to make these talks more productive and ensure that they do not harm the fleet's combat ability the Russian side must be "decisive, persistent, and firm in championing Russia's national interests."

Commenting on the Ukrainian parliament's sensational decisions to "abolish" the post of Crimean president and to repeal the Constitution of the Republic of Crimea, the admiral said that "neither Kiev nor the Crimea will

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benefit" from them. Not that the Black Sea Fleet gained anything from the policy which Yuriy Meshkov and the Crimean Supreme Council were implementing. In a purely human way the leaders of the autonomous entity treated the fleet well, but that is all. Neither Meshkov nor Tsekov were major political figures bent on improving the situation on the peninsula.

Eduard Baltin spoke approvingly of the fact that the Russian State Duma has set up a special deputies' commission on Black Sea Fleet problems, but he did not omit to comment: "It would have been far better if such a commission had appeared a year ago. For the fleet's problems are snowballing. The more time that is lost, the harder it will be to resolve them...."

Foreign Minister Kozyrev Continues Middle East Tour

Meets With Syria's al-Asad

LD3003182395 Moscow ITAR-TASS World Service in Russian 1725 GMT 30 Mar 95

[By ITAR-TASS special correspondent Dmitriy Gorokhov]

[FBIS Translated Text] Damascus, 30 Mar—Issues of developing bilateral cooperation and stepping up the peace process in the Middle East were at the center of the meeting between Russian Foreign Minister Andrey Kozyrev and Syrian President Hafiz al-Asad which took place at the residence of the Syrian leader in the country's north-east today.

Kozyrev arrived in Damascus from Egypt on Wednesday [29 March] evening in the framework of his tour around some of the Middle East countries. Today he held talks with his Syrian counterpart Faruq al-Shar'. The head of the Syrian Foreign Ministry was present at the meeting between the Russian minister and al-Asad.

The program of Kozyrev's tour to the Middle East also includes visits to Lebanon, Israel, and the region of the Palestinian autonomous rule in the Gaza Strip.

Briefs Newsmen on al-Asad Meeting

LD3103082095 Moscow ITAR-TASS in English 0747 GMT 31 Mar 95

[By ITAR-TASS correspondent Dmitriy Gorokhov]

[FBIS Transcribed Text] Damascus March 31 TASS—"That was a useful trip" is how Russian Foreign Minister Andrey Kozyrev described his visit to Syria. In a talk with journalists on Thursday night upon returning here from al-Qardahah, where he had an hours-long meeting with Syrian President Hafiz al-Asad, Kozyrev pointed out the need for an active Russian contribution to normalising the situation in the Middle East.

"It is in our interests to remain in the region, to be actively involved in the peace process and seek new opportunities for political interaction", he said.

"Such a role is expected of Russia because it balances out the participation of other countries. We have given up orienting ourselves to any one side. I think our proposals meet with a positive, interested response, particularly at a time when the peace process is in a crisis", Kozyrev said. The minister expressed hope that Russia will succeed in contributing to overcoming the crisis and leading the negotiating process towards a promising outcome.

One cannot say that the syrian attitude towards negotiations with Israel has changed, Kozyrev remarked. "But, with our participation a delicate search is under way for possibilities to bring the sides closer together. However, moves by both sides to meet each other are necessary. Unfortunately, the talks, which were announced in Washington, encounter difficulties. Therefore, very active efforts are needed both on the U.S. side and on our side in order to ensure real headway, not a semblance of it," Kozyrev said.

The Russian minister did not so far deem it possible to specify which additional ideas to help the peace process forward had been expressed by the Russian side. "It is essential to wait for talks in Israel. Our proposals should take into consideration those from both sides," he said.

Kozyrev described the Syrian side's response as reassuring. "I have gathered the impression that the Syrian leadership is seriously intent on a search for mutually acceptable solutions. The process of the search is complex and we must hold talks in Israel and subsequently weigh what should be said in public. It is not the time for public diplomacy any longer. It is now essential to preserve what has been achieved as regards the Palestinian-Israeli aspect and press if only for some headway on the Israeli-Syrian aspect," he said.

Speaking about bilateral Russo-Syrian relations, Kozyrev singled out "the complex problem of debt. Efforts towards a solution to the problem should be made. It is a question of more than 10,000 million U.S. dollars. We should think not so much of sticking to the past as looking into the future. A solution to problems can and must be found in the near future."

"Syria is greatly interested in developing cooperation. We agreed on a joint commission to study possibilities for building a nuclear power station in Syria. Besides, many aspects of cooperation are connected with repair and maintenance of Russian or former Soviet military hardware," the Russian foreign minister said.

Arrives in Lebanon

LD3103100695 Moscow ITAR-TASS World Service in Russian 0929 GMT 31 Mar 95

[By ITAR-TASS correspondents Anatoliy Glovastov and Dmitriy Gorokhov]

[FBIS Translated Excerpt] Beirut, 31 Mar—Russian Foreign Minister Andrey Kozyrev, who is touring the Middle East, arrived today in Lebanon for an official

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visit. At Beirut's international airport, he was welcomed by Lebanese Foreign Minister Faris Buwayz and other officials. The representative Russian delegation accompanying the minister comprises parliamentarians, bankers, entrepreneurs, and religious figures.

Andrey Kozyrev and Faris Buwayz set off immediately from the airport for Lebanon's Foreign Ministry in order to hold talks. [passage omitted]

Spokesman: Turkish Operation in Iraq 'Beyond the Limit'

LD3003145595 Moscow INTERFAX in English 1248 GMT 30 Mar 95

[FBIS Transcribed Text] MOSCOW, Mar 30 (Interfax)—The Russian Foreign Ministry has the impression that the Turkish military operation in northern Iraq is going beyond the limit of such an action, Foreign Ministry Spokesman Nikita Matkovskiy told a news briefing in Moscow Thursday.

He said the ministry was concerned about reports talking about massive air raids on populated centers and heavy civilian casualties there.

The spokesman called on Turkey to ensure proper safety for its civilians including large numbers of refugees. He also spoke of the need for a negotiated solution to the conflict.

Matkovskiy said Russia had always called for the integrity and sovereignty of Iraq.

Foreign Ministry Warns Against Boosting Sanctions on Libya

LD3003144895 Moscow ITAR-TASS in English 1346 GMT 30 Mar 95

[By ITAR-TASS correspondent Yuriy Kozlov]

[FBIS Transcribed Text] Moscow March 30 TASS—The Russian Foreign Ministry warned on Thursday against boosting international sanctions against Libya saying they might provoke another wave of terrorism.

"A mechanical building of coercive measures to tighten sanctions against Libya may prove to be counterproductive from the point of fighting international terrorism," the ministry's spokesman Nikita Matkovskiy told briefing on Thursday. Matkovskiy responded to recent mass media reports saying that the U.S.A planned to impose an oil embargo on Libya.

Moscow has not received any official address to this effect from Washington, Matkovskiy said. He reassured, however, that Russia would hold its current stance towards strict observance of international law and Libya's respect for Resolutions No. 731, 748, and 883 of the United Nations Security Council.

He said that the Security Council's "adequate response" to what was going on in this relation was most crucial at the moment. At the same time, the Security Council should not miss any chance to loosen the 'Libyan tie' by using the accumulated experience and mechanisms of conflict-settling.

From its side, Russia intends to continue cooperating with Libya, both on bilateral basis and within the framework of the United Nations, to look for a suitable compromise on the problem.

Russian Citizens May Be Partially Evacuated From Burundi

LD3003153395 Moscow ITAR-TASS World Service in Russian 1337 GMT 30 Mar 95

[By ITAR-TASS diplomatic correspondent Yuriy Kozlov]

[FBIS Translated Text] Moscow, 30 Mar—Russian citizens and members of their families and also citizens of other CIS states will be partially evacuated from Burundi in case of a further exacerbation of the situation in this African country due to actions of extremist elements. The Russian Foreign Ministry jointly with the Ministry for Emergencies and other departments have adopted a number of relevant preparatory measures. An official representative of the Russian Federation foreign political department reported this to journalists today.

The Russian side considers that the peaceful settlement of the Burundian crisis and the initiation of the process of national reconciliation require coordinated action by the members of the United Nations and by the Organization of African Unity, as well as effective measures by the states bordering on Burundi. In this connection, Russian Foreign Minister Andrey Kozyrev has sent his counterparts in Tanzania, Zaire, and Uganda a message urging them to use all their influence to prevent a further escalation of tension, the destabilization of the situation in Burundi, and a catastrophic development of events in the region as a whole.

The Foreign Ministry spokesman noted that Russia is closely following developments in Burundi and, if necessary, is prepared to consider the possibility of taking the necessary steps, together with the international community, to help normalize the situation within the country. THIS REPORT MAY

DPRK Proposal on U.S. Reactors Regarded as 'Turning Point'

SK3003144995 Moscow Voice of Russia World Service in Korean 1200 GMT 30 Mar 95

[By station commentator (Vladimir Korolev); from the "Today's World" program]

[FBIS Translated Text] The DPRK and the United States have agreed to resume talks in April to discuss the provision of light-water reactors to the DPRK. Station commentator (Vladimir Korolev) writes:

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In the DPRK-U.S. negotiations held in Berlin from 25 to 27 March, the DPRK delegate put forward a new proposal. The DPRK proposed that the United States take charge of designing and building light-water reactors to be provided to the DPRK.

Long before that, the United States and the DPRK agreed to provide the DPRK with light-water reactors through an international consortium. However, the United States has forcibly asked the DPRK to accept ROK-style reactors, and the DPRK answered it would not accept ROK-style reactors.

Pyongyang expressed its willingness to accept U.S. reactors; this is recognized as a new proposal that provides a turning point.

The Pyongyang delegate stated that the DPRK will make every possible effort to make progress in negotiations with the United States. The Pyongyang delegate pointed out that the resolution of the nuclear issue on the Korean peninsula completely depends on the sincerity of the parties concerned to the talks. That is, Washington is urged to show sincerity.

However, it is not correct that this issue concerns the United States and the DPRK alone. It is no exaggeration to say that the success or failure of talks between the United States and the DPRK will greatly influence the situation in Asia.

Moscow Denies Obligation To Withdraw Troops From Kurils

OW3003150095 Tokyo KYODO in English 1439 GMT 30 Mar 95

[FBIS Transcribed Text] Moscow, March 30 KYODO—Russia is not obliged to pull its troops back from four Russian-held islands claimed by Japan despite President Boris Yeltsin's previous suggestion of a withdrawal plan, a spokesman for the Russian Foreign Ministry said Thursday [30 March].

When Yeltsin visited Japan in October 1993, he said Russia would withdraw all its troops from the islands—Etorofu, Kunashiri, Shikotan and the Habomai Islets—off Japan's main northern island of Hokkaido.

On March 13, Moscow's ITAR-TASS news agency reported that Russian frontier authorities had compiled a plan to substantially boost border guards on the islands to the level of a division.

A Moscow-based western military source said at that time some 4,000 border guards are currently posted on the islands. The force there is likely to be boosted by 6,000 to about 10,000, the source estimated.

The four isles were seized from Japan by the former Soviet Union at the end of World War II. Japan has constantly demanded the return of what it calls its "northern territories."

Foreign Ministry Statement Detailed

LD3003173795 Moscow ITAR-TASS in English 1648 GMT 30 Mar 95

[By ITAR-TASS diplomatic correspondents Vladimir Suprun and Vladimir Solntsev]

[FBIS Transcribed Text] Moscow March 30 TASS—Russia has taken no commitments to withdraw its troops from the Japan-claimed South Kuril Islands and it is "incorrect" for the mass media to accuse Russia of not fulfilling its commitments as they do not exist, according to Nikita Matkovskiy, a Russian Foreign Ministry spokesman who was referring to an interview with an unidentified high-ranking official of the Japanese Foreign Ministry.

"The Russian side has taken no obligations regarding this issue. Everything what concerns the deployment by Russia of its armed units on the national territory is in the exclusive competence of Moscow and the given issue was not and cannot be a subject of negotiations between Russia and Japan", the spokesman told a briefing Thursday.

A high-ranking source in the Russian Foreign Ministry, who spoke on conditions that he is not named, told TASS in this connection that "the interview in the form in which it was interpreted causes strange impressions".

"Even if we avoid the problem of the troops on the South Kurils, the talk about the Russian military threat, which is claimed to acquire certain new forms, create an impression that the interviewed is seeking such a threat intentionally", the source said.

The words of the unidentified official of the Japanese Foreign Ministry that the current state of Russian-Japanese relations cannot be assessed as normal "go contrary to the general constructive mood characteristic of the Russian-Japanese political dialogue and the growing understanding on both sides about the necessity of consistent active steps aimed at the implementation of the strategy of development of relations towards genuine partnership as it was determined during the visit of the Russian president to Tokyo in October 1993", the diplomat said.

He warned Japan against concentrating only on the territorial problem in bilateral relations and said "such an approach cannot result in a peace treaty".

"We resolutely support the line to build relations on the basis of the Tokyo declaration, to move ahead in solving the complicated problem of the peace treaty, but without hasty and poorly thought out actions which can cause misunderstanding of the other party. Our principle line is to develop the whole complex of relations with Japan, to strengthen cooperation in the economic, humanitarian and other spheres, including in the Far East, that is to create a favourable atmosphere for progress in general", the diplomat said adding that only such a way

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is productive. "Attempts to return to the diplomacy of ultimatums which can be seen in the interview are counterproductive", he said.

"Moscow intends to act in a goal-oriented way, without pauses, by joining efforts and in the spirit of good-neighbourliness, to conduct a civilised and quiet dialogue with Japan for the benefit of both countries, of peace and security in the Asian and Pacific Rim region and the whole world. The Russian side does not need to borrow readiness for a gradual development of relations. We think Japan has the same readiness", the diplomat said.

Moscow Announces Measures To Protect Fishing in Sea of Okhotsk

LD3103055195 Moscow ITAR-TASS World Service in Russian 0218 GMT 31 Mar 95

[By ITAR-TASS correspondent Boris Sitnikov]

[FBIS Translated Text] United Nations, 31 Mar—The Russian delegation at the UN conference on fishing in the open sea today notified participants in the forum that it is extending national measures to regulate fishing to the whole of the Sea of Okhotsk, including the enclave of open sea beyond the 200 mile zone. This measure is being introduced in connection with the threat of destruction of pollock stocks in the Sea of Okhotsk because of aggressive poaching by ships of a number of countries.

Russia openly pointed out for the first time which countries are to blame for the destruction of the ecosystem of the Sea of Okhotsk. "Early in 1991, without consultations with Russia as the littoral and only state managing these stocks, large-scale unregulated and scientifically unjustified fishing started in the enclave of the Sea of Okhotsk, above all by ships of the Republic of Poland and of the People's Republic of China," the document submitted by the Russian delegation says. "The ships of these states are also now continuing destructive fishing, as a result of which the generally permissible catch, ensuring stable fishing over a lengthy period, was exceeded 1.3-1.6 times."

Russia pointed out with concern that such a regime of exploitation of fish stocks, in particular the destructive catch of pollock in the enclave, "has already today predetermined a lengthy depression of the fishing stock and a sharp drop in the catch after 1996, right up to a possible forced cessation of fishing, which will first of all affect the littoral population of Russia's Far East coast."

"Proceeding from the need to avert an approaching ecological disaster, the Russian Federation will take all necessary measures in accordance with its national legislation to discharge its duty to future generations to preserve the ecosystem of this unique area," the Russian delegation stressed.

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Political Issues

Yeltsin To Have New Aides for Army Reform, Press, Culture

MK2403134095 Moscow KOMMERSANT-DAILY in Russian 24 Mar 95 p 3

[Unattributed report under the "News Reports" rubric: "The President Will Have New Aides"]

[FBIS Translated Text] "Boris Yeltsin does not object to the introduction of new positions of Russian presidential aide for army reform, questions of press activities, and culture," Viktor Ilyushin, the president's first aide, stated yesterday. In his words, the need for adding to the aides' service a specialist on matters of army reform has arisen in connection with the Chechen events, which exposed a number of serious faults in the operation of the Armed Forces. The contradictory developments in the mass media have led to the conclusion that the building of an independent press calls for the president's closer attention, and, in addition to press secretary Sergey Medvedev, the head of state's interaction with the press should be helped along by one more aide. As for the president's aide for culture, this position has been dictated by the difficulties that creative collectives are experiencing under market conditions. Viktor Ilyushin thinks the idea of appointing an aide to Boris Yeltsin to keep tabs on the execution of the president's directives is unwise, because this is the job of the presidential staff's control administration. Also yesterday, Ilyushin stated that he has no grounds for "back-pedaling on the president's edict" on the creation of a Russian Public Television [RPT]. He thinks that "the edict is supposed to be fulfilled by everyone who has been tasked with starting RPT broadcasts on Channel One as of 1 April.

Draft Law on Demarcation of Powers Passed to President

LD2503183095 Moscow ITAR-TASS World Service in Russian 0928 GMT 25 Mar 95

[By ITAR-TASS correspondent Andrey Serov]

[FBIS Translated Text] Moscow, 25 Mar—The draft law "On the Principles of the Demarcation of Powers Between the Bodies of State Power of the Russian Federation and the Bodies of State Power of the Component Parts of the Russian Federation" has been submitted to the president of the Russian Federation for signing, to be later passed on to the State Duma for consideration, Deputy Prime Minister Sergey Shakhray, who is chairing the commission that has already approved the document, announced today.

Addressing a scientific and practical conference in Moscow, Sergey Shakhray pointed out that the prepared document would make it possible to "fill in the gap" in the relations between the center and the component parts of the federation. In his opinion, if they do not support the centripetal tendencies in the regions now, extremist political powers may take advantage of them.

Expounding on his own concept of the long-term strategy for the development of the federation, Sergey Shakhray pointed at the necessity of reforming the executive power both vertically and horizontally. Among other things, according to the deputy prime minister, "ramified structures" of territorial branches of ministries and departments should be set up to avoid imposing a whole number of local ministries in each component part. "Like the first locomotives, which spent most of their energy to produce a whistle, many territorial executive structures are just a burden," not having either the possibility or the means to influence the economic situation in the region. He sees a way out in replacing branch structures with functional and territorial government bodies.

Sergey Filatov, head of administration of the president of the Russian Federation, who was present at the conference, expressed the opinion that the best state structure for Russia is a constitutional federation. The signing of treaties with its individual component parts is a temporary measure, he said. In the future it is necessary to ensure that the federal Constitution operates directly in the regions, stressed Sergey Filatov.

Federation Council's Viktorov Sees Support for Election Moratorium

LD2703144595 Moscow ITAR-TASS in English 1411 GMT 27 Mar 95

[By ITAR-TASS parliamentary correspondent Lyudmila Yermakova]

[FBIS Transcribed Text] Moscow March 27 TASS—"The postponement of elections to a later time will not be a violation of the Constitution of the Russian Federation," Valeryan Viktorov, deputy chairman of the Federation Council, told ITAR-TASS here today.

The vice-speaker explained that "the Constitution does not specify the time of the transitional period for which the present two chambers of the parliament were elected."

Referring to meetings with Russian residents—including in the city of Omsk where a council meeting of the "Siberian agreement" inter-regional association was held during the past weekend, the deputy affirms that "there are growing sentiments among the people in favor of announcing a moratorium on any elections in 1995."

The vice-speaker of the Federation Council believes that the upper house of the parliament could work for another two years. Earlier the same opinion was expressed by chairman of the Federation Council, Vladimir Shumeyko.

At the same time, Valeryan Viktorov "in no way links the postponement of the parliamentary elections with putting off elections of the Russian president."

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Viktorov Does Not Object to Election Delay

MK2803081095 Moscow SEGODNYA in Russian 28 Mar 95 p 2

[Report by Gleb Cherkasov in the "Position" column: "Valerian Viktorov 'Has Nothing Against' an Election Moratorium. Election Campaigning 'Can Hinder' Work on Important Laws"]

[FBIS Translated Text] Valerian Viktorov, deputy chairman of the Federation Council, believes that in order to stabilize the economic situation in Russia, it would be appropriate to impose a two-year moratorium on all elections. Talking yesterday with a group of journalists, Viktorov stressed that preparations for the election campaign can, in particular, negatively affect the quality of lawmaking activity by both houses of the Federal Assembly. According to the deputy chairman, in the course of a session of the interregional association Siberian Accord Council, which took place over the weekend, he received evidence that the idea of moving the elections can be supported in the regions. True, Viktorov is not inclined to associate the transfer of parliamentary elections with a simultaneous postponement of presidential elections.

Commenting on a draft law on elections to the State Duma, Viktorov pointed out that the preservation of the former proportions (225 deputies from party lists and 225 from singe-mandate constituencies) is not particularly good because the party system in Russia "has not as yet taken its final shape." Talking about a draft law on the formation of the Federal Assembly upper house, Valerian Viktorov stressed that the most acceptable option is the one whereby Federation Council members will be elected on recommendation of regional representative and executive power bodies. At the same time, the formation of the upper parliament house with leaders of regions will lead to a situation in which, according to the Federation Council deputy chairman, the senate will be a hostage to its own apparat. In any event, Viktorov considers "unacceptable" that the next Federal Assembly should be elected not according to laws but according to presidential edicts.

Noting that the 1995 budget has become the fruit of collective creation by both houses of the Federal Assembly and the government, Viktorov expressed his regret over the fact that the Federation Council was excluded from working on the budget at the stage when real changes were being made in it. In particular, Valerian Viktorov in unhappy with the fact that the economic branch component of the budget dominates the regional component, "even though everybody understands that Russia's population lives not in branches but in regions."

Talking about contacts with the government, Viktorov expressed his satisfaction over the fact that the representative and executive branches of power have managed to find a common language. According to the Federation Council deputy chairman, before First Vice Premier Anatoliy Chubays made his statement, the house leadership had to "work" on it for half an hour so that Chubays could choose the right tone in speaking before the senators. Viktorov hopes that the 1996 budget will be adopted in the current year but fears that the deputies will be too absorbed in "election campaigning."

Recalling that the 1994 budget was executed by 70 percent, Viktorov noted the "colossal importance" of the creation of the Accounts Chamber and expressed the hope that at the next Federation Council session the senators will finally elect the requisite number of auditors.

New Political Parties Introduced

954F1921A Novosibirsk VECHERNIY NOVOSIBIRSK in Russian 24 Mar 95 p 6

[Interview with Sergey Semenov by Andrey Arbenyev; place and date not given: "The Swastika Is Unacceptable to Russians: Conversation with a National-Patriot"]

[FBIS Translated Text] **Sergey Semenov has come to our city from St. Petersburg with two purposes. The first is to tell Novosibirskers about his new books, which provide recommendations for the recuperation of the human organism (Sergey Semenov is a psychotherapist by specialty). The second purpose is to introduce the Humanitarian Party of Russia and the Russian Statehood Party.**

What is the political position of these parties and with whom do they cooperate—these were the first questions put to Sergey Semenov.

[Semenov] The Humanitarian Party of Russia concentrates mainly on propaganda of humanitarian ideals. But this is by no means a love of flowers and animals, as many people might imagine. Humanism is quite a broad concept. The GPR [Humanitarian Party of Russia] believes that social restructuring is necessary. We live under conditions of global crisis, global catastrophe. Society is breaking down everywhere. The GPR intends to minimize all these negative phenomena and to undertake, to the extent possible, the humanitarian transformation of society.

The Russian Statehood Party (PRG) is a national-patriotic organization. It preaches the Russian idea and the reconstitution in Russia of the conciliary state. The ideological basis of the GPR and the PRG, in fact, are common, and the differences concern merely the directions, methods, and forms of activity. Both parties champion the ideals of distinctive national development, both parties reject the policy that is today being pursued by the president and the government....

[Arbenyev] When some party declares that it is national-patriotic, there immediately forms in the mind of the ordinary citizen the associative sequence: national-patriots, red-browns, fascists.... Are you not afraid in calling yourself a national patriot that you will immediately be perceived as some Hitlerite?

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[Semenov] Yes, you are right. There is this associative sequence. Frequently this is born of ignorance and insufficient thought, and in places, truly, the Russophobic propaganda of recent years has had its effect. Russian nationalism is a very distinctive nationalism. Russian man is so magnanimous that he rejects a narrow-minded nationalism at root. Conciliarism is the principle of the organization of the Russian soul, the principle of the organization of the Russian state, and it is this that is Russian nationalism.

[Arbenyev] But you advocate the idea of national-proportional representation? Many people view this as fascism. Is this not the case?

[Semenov] Yes, we do. We must organize the repulse of the nationalism of national minorities. At this time it is manifested most in the crude disproportion of national representation in the organs of state power, cultural institutions, and television and radio. It is essential, therefore, to accomplish two tasks. First, to achieve a situation in the national lands whereby the representation of Russians in the local authorities and in the cultural institutions is no less than the proportional strength of the Russian population, second, the representation of the national minorities should be no greater than the proportional strength of persons of this nationality. Such measures are essentially aimed merely at the achievement of the sociopolitical equality of Russians in their own country and cannot infringe the healthy interests of other peoples.

[Arbenyev] I have already heard this somewhere.... From Barkashov, leader of Russian National Unity.

[Semenov] As far as Barkashov is concerned, I personally do not care for Russian National Unity's gravitation toward Hitlerism or their Germanophilia. The swastika and the black uniform in imitation of the Germans are unacceptable to us Russians. On the eve of Victory Day all this appears extremely inappropriate.

[Arbenyev] And what is your attitude toward Orthodoxy, I wonder?

[Semenov] We do not believe that Orthodoxy is the first principle of Russian revival.

[Arbenyev] You are pagans, as it were, then?

[Semenov] No, this is not paganism. It is, rather, a modern interpretation of paganism. Orthodoxy truly was once a pillar of Russian conciliarism, but today the situation is somewhat different.

[Arbenyev] Both parties emerged and exist in Petersburg. Are they capable of influencing Moscow in any way?

[Semenov] Today's Petersburg is a city which does not lay claim to the role of second capital. But, generally, whereas Moscow is the center of all-Russian decay and advancing senility, Petersburg is in second place in terms of these indicators. We are opposing this decay as best we can. We are fighting and protesting. We count on the heartland to a great extent.

Work of Duma 'Stability' Group Viewed

954F1936A Moscow SEGODNYA in Russian 21 Mar 95 p 2

[Article by Gleb Cherkasov under the rubric "Cadres": "'Stability' Deputies Have Not Yet Reached Consensus—Neither Has the Absenteeism Problem Been Resolved"]

[FBIS Translated Text] Members of the new Duma group Stability, which was registered last week, have declared on numerous occasions their intention to support the president's course. Let us remember that the association was formed of deputies who for the sake of Stability walked out on seven out of eight Duma factions. The question of whether the new group will become a melting pot for Duma members with different views or whether the project participants held shared views from the beginning so far remains open. The constant rotation of participants in the deputy project (over the first week of the group's existence, two Duma members resigned and one joined) does not permit us to form a good idea of the views of the "stable" on Russia's particular problems discussed in the state Duma; however, SEGODNYA editors have the results of the Stability members' vote on a number of principal issues.

On 23 February 1994 during the vote on political and economic amnesty, 12 future Stability members voted "for," eight—"against," and 14 simply did not participate in the vote. On 27 October during the vote of no confidence in Viktor Chernomyrdin's government, seven "stable" voted "for," seven—"against," and 15 shirked their duty. The next day, the decree on the socioeconomic policy of the government, in which Mr. Chernomyrdin's activities were subjected to sharp criticism, was supported by 11, the same seven were "against", and 14 did not vote. Generally, the number of nonvoting deputies in Stability is quite stable and rarely falls below 14-15. Even the group's registration did not have a favorable effect on "stable" deputies' diligence—in the course of the vote on the 1995 budget (the first major issue discussed after Stability came on the scene), of 36 group members, 14 did not participate in the vote. On the other hand, in the course of the budget vote the bulk of the "stable" probably for the first time supported the viewpoint of the government and the president. Normally group members are equally inclined to vote for both opposition and presidential proposals: 11 members supported the appeal to the Constitutional Court regarding the presidential edict on the second stage of privatization (20 deputies were absent), and 12 supported the president's draft laws on local self-government.

As a rule, Stability deputies experience certain difficulties working out a common position on other issues as

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well. The law on elections in the second reading was supported by eight, while 15 were against. Eleven supported the federal law on freezing privatization of television, and six were against. The list of examples could be continued.

Apparently a lot of time has to pass before the deputies in the new group learn to arrive at a joint opinion at least on principal issues. The problem of plenary session attendance apparently will be resolved at the same time—one cannot rule out that membership in a new group will make Duma members more disciplined. Let us remember, however, that there is not much time left before this Duma's term ends.

Democratic Choice Leader Gaydar Interviewed

954F1946A St. Petersburg NEVSKOYE VREMYA in Russian 29 Mar 95 p 1

[Interview with Yegor Gaydar, State Duma deputy and leader of the Russia's Democratic Choice party, by Anna Polyanskaya; place and date not given; under the rubric "Firsthand": "Yegor Gaydar: The World Will Be Bipolar"]

[FBIS Translated Text] [Polyanskaya] Yegor Timurovich, why are you not with Yavlinskiy?

[Gaydar] We have quite normal relations; we meet, talk, and usually even manage to avoid getting into a fistfight. My task is exceedingly simple: I want to drag Grigoriy Alekseyevich into a united democratic bloc; I consider it very important. I know from experience that the world will be bipolar. When reforms are not going well, alternative reformers—those who build their election programs on the contention that reforms should have been carried out not this way but slightly differently, that we should move not straight but a little to the left, and so on—never come to power in a postsocialist society. As a result, all reformers lose, and Communists and Zhirinovskiyites come to power. Objectively, Yavlinskiy and I have no alternative but to be together. We held this position back in 1993 too, but at the time many people had the illusion that by criticizing Russia's Choice they would pick up a lot of votes. Alas, they did not. In all honesty, Zyuganov and Zhirinovskiy are much better at criticizing us. It will be difficult for brother-democrats to compete with them in this genre.

[Polyanskaya] In your opinion, what are the ways out of the Chechen crisis?

[Gaydar] Chechnya gained de facto independence in 1991. This is a fragment of the disintegrated USSR, which at the time splintered into not 15 but 16 parts. One such part happened to be on the territory of Russia, and therefore neither the world nor even we ourselves recognized, and probably will not recognize, its independence. However, nobody ever succeeded in resolving the ethnic issue with bayonets. One should never rush these things. For instance, the Bavarian constitution is in conflict with the German one. But if Berlin started bombing Bavaria for this, it would hardly strengthen German statehood. In the spring, when Dudayev was rapidly losing his popularity, we had a wonderful choice between a good and an excellent solution. In December we had a choice between a decent and a satisfactory option. Today the choice is between bad and terrible decisions. It is better to choose the bad ones.

We need to sit down at the negotiating table with those who are in command of the resistance. Israel never liked Yasir Arafat, but no settlement could be reached without negotiating with him. We will have to conduct negotiations with Dudayev, because he is the one making decisions in Chechnya today; this is something we ourselves inadvertently did. Otherwise, we are facing a bloody guerrilla war of many years, in which nobody will win. Proof of this is our experience in Afghanistan, the American experience in Vietnam, and the French experience in Algeria. After many years of war and huge casualties among the peaceful population, the parties still had to begin negotiations and withdraw the troops.

Duped Investors Form Antigovernment Party

MK2803075095 Moscow SEGODNYA in Russian 28 Mar 95 p 2

[Report by Viktor Khamrayev under the "Intentions" rubric: "One More Party Emerges From the Ranks of Stock Market Victims. 'PRAVDA' Gears Up for State Duma Elections"]

[FBIS Translated Text] Depositors who own all manner of shares and who fell prey to last year's financial gambles on the stock market have threatened the federal authorities with coming to power.

The threat, constitutional in form and substance, was heard at a meeting of the "victims" at the entrance to the capital's Central Park of Culture and Rest [Gorkiy Park] 26 March. It consists in the fact that the "deceived depositors" (the meeting organizers also list among them those who own privatization checks) have united to form a political party aimed at getting "the government to recognize its debts" to them.

The speakers named as the debtor precisely the state, not just the banking, trust, and other commercial structures to which they entrusted their money while hoping to get rich quick. The state has earned this epithet for the fact that no official structure "has up to now recognized anyone bankrupt, nor carried out investigations into the disappearance of the money," and has not punished those guilty for the disappearance of the money. The conclusion drawn from this was that "the present authorities" are in league with the financial companies and banks that have "robbed" innocent citizens. Therefore, Vyacheslav Makarov, chairman of the Moscow City Duma commission on social questions, stated, there is a need for an organization that will unite everyone "who recognizes as a thief not only Mavrodi [head of the MMM investment fund scam] but also the state."

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A party under the name of "Pravda Liberal Conservative Union," as was announced at the meeting, had been practically created—the founding congress was held early in March, and registration documents have already been accepted by the Justice Ministry. Among the leaders of the party are Moscow City Duma deputies. The liberal conservative "Pravdaists" have started, with the help of the "Working Forum" Trade Union Association, to form regional branches. Pravda's plans include yet another meeting in April and the participation in the December State Duma elections.

Stepashin Chairs Intelligence Meeting on Fighting Fascism

LD2703165695 Moscow INTERFAX in English 1525 GMT 27 Mar 95

[FBIS Transcribed Text] Moscow, Mar 27 (Interfax)—A conference on fighting fascism and other kinds of political extremism was held in the Federal Counterintelligence Agency's Lubyanka building. Chaired by the agency director Sergey Stepashin, the conference was attended by the Russian president's legal advisor Mikhail Krasnov, State Press Committee Chairman Sergey Gryzunov, and Prosecutor General's Office and Supreme Court officials. Stepashin is reported to have said that even before the State Duma amends the legislation accordingly, the manifestations of fascism have to be quelled. The recent presidential decree about fighting fascism enables the Counterintelligence Service to start work immediately, Stepashin said. In particular, the sources of extensive financing for periodicals which are engaged in the propaganda of fascism and other kinds of political extremism and the underground manufacturers of fascist and similar literature have to be tracked.

Stepashin also said that the counterintelligence personnel will seize the extremist printing matter. Those who disseminate printing and other products which spread fascism or foment racial or religious differences will be apprehended and brought to justice, he said.

Stepashin was indignant that fascist Vedenkin was released on the day when the presidential decree on fighting fascism and political extremism was published.

Because the propaganda of fascism was especially widespread in Moscow, the Moscow branch of the Counterintelligence Service will have to do most of the job.

Speakers at the conference said that the Supreme Court will soon issue clarifications to be used by courts in fighting fascism.

Krasnov supported Stepashin's call for immediate steps in implementing the presidential decree and said that all law enforcement and other bodies had to coordinate their efforts in fighting fascism and political extremism.

Gryzunov called for the setting up of a public council and said that in re-registering mass media his committee will give special attention to the periodicals which foment ethnic or religious hatred or are engaged in direct or indirect propaganda of fascism.

INTERFAX 'Viewpoint' Report

LD2203193895 Moscow INTERFAX in English 1730 GMT 22 Mar 95

["Viewpoint" report; number not given; materials prepared by the Public Opinion Foundation, Viewpoint's sociological service, and the INTERFAX News Agency]

[FBIS Transcribed Text]

CONFIDENCE IN YELTSIN'S POLITICAL ABILITIES PLUMMETS

The respondents were asked which of the following political leaders were to be trusted and to what extent. Their answers are compared against answers obtained in a similar poll carried out last September (in percent):

	To Be Trusted		To Be Distrusted		Undecided	
	Sept	March	Sept	March	Sept	March
Yeltsin	31	14	58	78	11	8
Chernomyrdin	29	18	52	62	19	20
Gaydar	19	13	62	68	19	19
Zhirinovskiy	11	12	71	74	18	14
Rutskoy	19	16	57	61	24	23
Yavlinskiy	37	37	32	35	31	28

As many as 1600 city dwellers took part in the March, 1995, poll.

THE IMPUNITY OF THOSE WHO PLACE AND MEET ORDERS FOR ASSASSINATIONS WORRIES RUSSIANS

The respondents were asked what hit them the hardest in the Listyev assassination:

The impunity of those who place and meet orders for that and similar assassinations: 47%
Threat of further disregard of law, more crime: 33%
Threat of dictatorial rule that would allegedly fight crime: 12%
The Listyev assassination leaves me indifferent: 3%
Undecided: 5% A total of 1,600 city dwellers answered that question in March, 1995.

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EVERY FIFTH CITIZEN PINS HOPE ON PRESIDENTIAL ELECTIONS

The respondents were allowed to give only one answer to the question of whether parliamentary elections scheduled for December, 1995, or presidential elections that are to be held in June, 1996, would hopefully put an end to the current crisis:
Parliamentary elections: 7%
Presidential elections: 20%
Both: 17%
Neither: 38%
Undecided: 18% A total of 1,388 city and village dwellers were polled in March, 1995.

FASCISM IN RUSSIA: UNDER WHAT COLORS?

The leaders of very different political parties and moveements, mediamen, politologists and, last but not least, President Yeltsin have called the people's attention to the threat of fascism in Russia. The Viewpoint's previous edition said that 43 percent of respondents in a recently held opinion poll felt that an Adolph Hitler could come to power in Russia. But, everyone realizes that the country that has a personal experience of fighting the Nazis, can show nothing but aversion to the word "fascism". If so, under what banner can fascism hope to score a political victory in Russia? The answer to that question seems clear: under the banner of aggressive nationalism. But do those who are worried about the threat of fascism realize that the Russian brand of fascism assigns a special role in domestic and international affairs to ethnic Russians and wants the Russians to emerge as a privileged nation under the sun? Only one answer could be given to the question of whether the Russian brand of fascism stands for special privileges to ethnic Russians ?
Yes: 16%
No: 54%
Undecided: 30% Most Russians tend to draw a distinction between fascism and nationalism in Russia. What does that mean? In the sociologists' view, home-bred radical nationalists are standing a good chance to win popular support, provided that they disclaim affinity with fascism. The situation, nevertheless, is hardly favorable for the wide spread of nationalistic tendencies in Russia. Opinion surveys show that only 15 percent of the citizens assign priority to the protection of the interests of the ethnic Russians whereas 65 percent assume that the interests of every ethnic community must be protected with the same zeal. Do part of the Russians assume that the advent of communists to power spells the victory of fascism? It will be no wonder now that "the red and brown threat" reads as a commonplace cliche. Only one answer could be given the question of whether communism and fascism stood for the same thing:
Yes: 11%
Yes rather than no: 13%
No rather than yes: 21%
No: 45%
Undecided: 11% The points of convergence between Nazi rule in Germany and the Stalin period in the Soviet Union seem to be overshadowed by the memory of the big war in which communists fought fascists. Substantial part of the Russians are apprehensive about the repetition of the German tragedy of the 30s on Russian soil but have a vague idea of Russian fascism and its ideology. The feelings of apprehension and alarm may be explained by the feeling of insecurity that is produced the destruction of their way of life and the murky vision of their future. The people are afraid of the possible replay of the darkest pages of the past. Both city and village dwellers were polled in 1995.

DAUGHTERS PREFER SUCCESSFUL MARRIAGE, RESPONDENTS THINK

The respondents were asked: "What would you prefer for your daughter: a successful marriage or a good work?". They could choose only one answer. Here are the results of the poll (the analogous poll took place 5 years ago):

	USSR, 1990	RUSSIA, 1995
A successful marriage	64	46
A good work [job]	19	36
Hard to say	17	18

It is interesting that only inhabitants of small towns prefer successful marriage for their daughters than a good work (46 percent and 32 percent accordingly). Other respondents chose equal variants. Only managers and specialists with higher education want their daughters a good work (55 percent and 45 percent accordingly) and not looking for a good husband (35 percent). Militarymen, entrepreneurs and housewives more than others prefer a successful marriage for their daughters - 56 percent, 60 percent and 62 percent.

Military and Nuclear Issues

Soskovets Predicts End to Hostilities in Chechnya

LD3103144795 Moscow ITAR-TASS World Service in Russian 1340 GMT 31 Mar 95

[By ITAR-TASS correspondent Oleg Velichko]

[FBIS Translated Text] Moscow, 31 Mar—First Deputy Prime Minister of Russia Oleg Soskovets has said that following the establishment of control over the Chechen town of Shali by federal forces, "active hostilities on the territory of the Chechen Republic will cease."

At a meeting with Japanese ambassador to Russia Koji Watanabe today, Oleg Soskovets noted that local bodies of power were being set up in the republic and that "in fact the process of preparing for free and democratic elections has begun."

Military Financiers Discuss Chechnya Situation

MM2403141395 Moscow KRASNAYA ZVEZDA in Russian 24 Mar 95 p 2

[Report by Vladimir Berezko: "'Lessons of Chechnya' for Military Financiers"]

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[FBIS Translated Text] Moscow—The Financial Academy's Military Financial-Economic Department has held a scientific-practical conference which discussed the state and problems of improving the financial and economic activity of the troops and navy forces and the characteristics of the financial-economic service's activity to support personnel in present-day conditions. Major General Georgiy Sapronov, deputy chief of the Russian Federation Defense Ministry's Main Military Budget and Finance Directorate, addressed the audience on these issues. There was great interest among students in Colonel Yuriy Lebedev's report on the organization and experience of the work of finance officers in supporting the troops in the Chechen conflict zone. The results of the conference, as well as of the organization students' practical experience among the troops, were summed up by Major General Georgiy Oleynik, chief of the department.

Prosecutor Sees No Grounds for Case Against Grachev

LD2703142395 Moscow INTERFAX in English 1213 GMT 27 Mar 95

[FBIS Transcribed Text] MOSCOW, Mar 27 (Interfax)—The office of the Chief Military Prosecutor does not see grounds for opening a criminal case in the public statements of Defense Minister Pavel Grachev about the Duma Defense Committee Chairman Sergey Yushenkov. This was the reply of the Deputy Chief Military Prosecutor Major-General Gaveto to the application sent by Yushenkov in mid-March. At a press conference in Mozdok on January 20 Grachev called Yushenkov a dirty little toad. The deputy regarded this as an intentional insult to his honor and dignity in a rude form.

Yushenkov accounted Grachev's dislike for him to his numerous critical remarks about the improper performance of duties by the minister in the past and during the Chechen developments.

Yushenkov's aide Nail Irtuganov told Interfax that in his reply Gaveto violated Article 109.3 of the Criminal Code because he should have decided to open a criminal case, refused to open a criminal case or submitted the case to court. As none of the moves prescribed by law was made and Gaveto actually evaded making a definite decision, the reply is a formality. According to the aide, Yushenkov will soon appeal directly to the Supreme Court.

Missile Forces Unit Preparing To Leave Kazakhstan

MM2703143595 Moscow KRASNAYA ZVEZDA in Russian 25 Mar 95 p 2

[Report by Anatoliy Ladin: "When ICBM Silos Are Empty. Report From Kazakhstan"]

[FBIS Translated Text] Thirty years ago the Strategic Missile Forces [SMF] division which is currently commanded by Major General Oleg Karpov was permanently on combat alert duty, keeping the installations of the likely enemy in its "sights." But today the missilemen are removing their weapons from combat alert duty—the division is leaving Kazakhstan. Specialists from the repair and technical base led by Colonel Pavel Shtambur are demonstrating their supreme professional training when performing the operations to uncouple the missile warheads with their nuclear charges. This work is virtually complete and some of the warheads have been shipped to Russia. But a considerable number are still in special stores.

The division's chief engineer, Colonel Valeriy Polnikov, described the care with which the rocket fuel components are poured out—with triple checks on every operation—before the empty missile is removed from the silo. Major Yuriy Voropayev and Captain Oleg Tarasenko, commanders of the refueling and missile transportation groups respectively, have been given awards for the work done. Major Yuriy Trokhimets, deputy chief of the assembly team, has been promoted. Captain Konstantin Dyachenko; Captain Nikolay Orlov, who was recently discharged into the reserve; Senior Warrant Officers Vladimir Senchin and Aleksandr Poydin; and Warrant Officer Amangeldy Beysembayev removed the warheads and prepared them for transportation.

A group of specialists came from Moscow to Zhangiz-Tobe. I learned from their leader Colonel of the Reserve Aleksandr Gnevko, a professor in the F.E. Dzerzhinskiy Military Academy's Department of Materiology and Technology, that the Muscovites have brought equipment enabling the containers used for transporting the rocket fuel to be comprehensively inspected using the acoustic emission method. In other words, it is certain that there will be no leak of the fuel's highly toxic, explosive components, which are furthermore extremely aggressive.

The modern field hospital is also being wound down. Not so long ago prompt, reliable aid, particularly in severe cases could be provided here. Military medical personnel have never turned local inhabitants away. The field hospital building, the equipment, and the medical supplies will remain with the Kazakhstani side.

Old residents of the military camp who have lived there for several decades are worried. There are more than 100 families like that here. If they follow the military, they have to count on finding housing somewhere. But who will provide it? What about staying here? But today it is the missilemen who provide everyone with heat and hot water, while the servicemen's wives teach children in school and the division pays for the sports complex and cultural center.... What next? Since late last year visiting hooligans have taken to coming to the camp. Residents have been robbed at night and apartments have even been burgled during the day. The division command did not rely on the police but formed their own subunit of servicemen to keep order. And things became calm straightaway. If the military leave there will be no one to check the thieves and racketeers.

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Three five-story buildings which used to house the families of servicemen from an aviation regiment stationed here look neglected; A deserted hostel for small families has been looted and a two-story district hospital looks like the aftermath of an earthquake. The same fate may also befall the missilemen's camp if it is not handed over carefully.

The missilemen also have problems with fuel and food. Where possible the command of the Russian SMF is flying in all the essentials. One-third of the funds for winter preparations earmarked for the SMF were allocated to the "Kazakhstani" divisions leaving Zhangiz-Tobe and Derzhavinsk.

The ICBM silos are empty, the divisions are leaving. However, things would look very different—human and fitting—had there been a state program for the withdrawal of the SMF divisions from Kazakhstan as there was for the withdrawal of the Russian troops from the Western Group of Forces. But regrettably no such program exists.

Chernobyl Cleanup Workers Dying at Rapid Rate

OW2303113595 Moscow Ostankino Television First Channel and Orbita Networks in Russian 1935 GMT 22 Mar 95

[Announcer-read report; from the "Utro" program]

[FBIS Translated Text] The Chernobyl: Man, Ecology, Business, and Health Care Exhibition will be held in Kaluga from 23 to 25 March. Here are a few figures I have collected from various newspapers. In the past several years more than 6,000 participants in the elimination of the accident have died. All of them were young people from 25 to 30 years of age. Since 1990 the number of disabled among these cleanup workers increased by 30 percent. In Rostov, where the majority of people called up during the Chernobyl events of 1986 live, the local authorities have set aside a special area at the central cemetery. It is being filled at the rate of 80 people a week.

Federal Assembly

Federation Council Decree on 1995 Budget

MM3003144495 Moscow ROSSIYSKAYA GAZETA in Russian 29 Mar 95 First Edition p 16

[Decree No. 402-1FC of the Federation Council of the Russian Federation Federal Assembly "On the Federal Law 'On the Federal Budget for 1995,'" signed by V.F. Shumeyko, chairman of the Federation Council of the Russian Federation Federal Assembly, and dated 23 March 1995, Moscow—from the "Official" section]

[FBIS Translated Text] Having considered the Federal Law "On the Federal Budget for 1995" adopted 15 March 1995 by the State Duma of the Russian Federation Federal Assembly in accordance with Article 106 of the Russian Federation Constitution the Federation Council decrees:

1. The Federal Law "On the Federal Budget for 1995" is approved.

2. Cognizance is taken of the Russian Federation Government's statement regarding its agreement with the Federation Council's recommendations and its intention to implement them.

3. Cognizance is taken of the Russian Federation Ministry of Finance's statement on the introduction from the second quarter of 1995 of a mechanism to implement Article 31 of the Federal Law "On the Federal Budget for 1995," which makes provision for resources from the federal share of income tax on individuals to be retained in the Russian Federation components' budgets to maintain transferred social sphere facilities and housing stock.

4. Federation Council deputies who are members of the conciliation commission set up by the Russian Federation Federal Assembly's chambers to overcome the differences of opinion that have arisen on the Federal Law "On Amendments and Additions to the Russian Federation Law 'On Taxing the Profits of Enterprises and Organizations'" adopted by the State Duma of the Russian Federation Federal Assembly 20 January 1995 and rejected by the Federation Council 8 February 1995, are instructed when preparing the agreed text of the said law to take account of Russian Federation components' proposals on increasing to 25 percent the maximum rate of tax on enterprises' and organizations' profits paid by decision of Russian Federation components' organs of state power into their budgets.

5. It is recommended that the Russian Federation Government:

submit to the Federation Council and State Duma of the Russian Federation Federal Assembly, simultaneously with the quarterly breakdown of federal budget expenditure, proposals agreed with Federation Council deputies from the relevant territories on revising certain Federal Investment Program indicators within the limits of the appropriations stipulated by the 1995 federal budget for financing state investment and of the resources for carrying out federal programs to develop the regions taking account of the results of their implementation in the first quarter of 1995; make provision, under expenditure, for financial support measures for the Republic of Tyva [Tuva] at a level no lower than that of 1994 in accordance with Edict No. 1045 of the Russian Federation President of 2 September 1992 "On Immediate Measures To Stabilize the Economy and Develop the Social Sphere of the Republic of Tyva" and Edict No. 945 of the Russian Federation President of 16 May 1994 "On Classifying the Territory of the Republic of Tyva Among the Regions of the Far North and Equivalent Localities;" give the Russian Federation

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Ministry of Finance and Russian Federation Central Bank one week to prepare for submission to the State Duma of the Russian Federation Federal Assembly a draft federal law "On Reclassifying as the Russian Federation State Domestic Debt the Due and Overdue Unrepayable Centralized Credit Debts of Enterprises and Organizations Making Early Deliveries of Products to Far North Regions and Equivalent Localities, as Well as the Interest on the Said Debts Within the Prescribed Upper Limit of the State Domestic Debt;"

provide for the quarterly indexation of the minimum wage in accordance with the level of inflation in the Russian Federation, out of above-plan income;

take measures to implement the Federal Law "On Veterans" with the help of the Russian Federation Pension Fund, Federal Compulsory Medical Insurance Fund, and Russian Federation Social Insurance Fund;

give additional consideration to the Republic of Dagestan budget in the light of the situation in the North Caucasus and the additional expenditure on eliminating the effects of the natural disaster;

transfer operational control of the Russian Federation State Tax Service to the Russian Federation Ministry of Finance in order to effect measures to strengthen the income element of the federal budget;

examine the possibility of financing (from above-plan income) the state program to eliminate the effects of the accident at the Chernobyl Nuclear Power Station at a level no lower than in 1994;

set up, with the help of specialists and representatives of the Russian Federation components' administrations, a government commission to establish the real level of nuclear safety in the Russian Federation and of radioactive waste reprocessing. A radioactive waste reprocessing program is to be financed on the basis of the said commission's findings;

finance from the federal budget the commissioning of the TETs-3 [Heat and Electric Power Station-3] in the city of Tomsk as compensation for falling energy capacity in connection with the shutting down of nuclear reactors producing weapons-grade plutonium under the treaty signed between the Russian Federation and the United States of America.

6. This decree comes into force the day it is adopted.

[Signed] V.F. Shumeyko, chairman of the Federation Council of the Russian Federation Federal Assembly
[Dated] 23 March 1995, Moscow

Rybkin Says Duma Cutting Number of Taxes

LD3103123895 Moscow INTERFAX in English 1140 GMT 31 Mar 95

[FBIS Transcribed Text] Moscow, Mar 31 (INTERFAX)—The State Duma will debate 305 bills in 1995, its Chairman Ivan Rybkin told Interfax. "What we cannot pass in a final version will be left to the next State Dumas," he said.

Rybkin said that the State Duma intends to cut the number of taxes to one fourth of the present and added that this work was being done, probably against the wishes of the government.

Rybkin attributed the partial failure of the Veterans Act to the shortage of finances in the country. This is why, he explained, the items of the act are enacted which will protect the most socially vulnerable population groups and the other articles will be implemented later.

Rybkin said that the Minimal Living Standards, Pensions, Pension Indexation, Minimal Pensions and Minimal Wages Bills caused significant differences with the government and president. He emphasized that compromising is different in this field but the Duma keeps trying.

By adopting these bills, he explained, we try to make the consequences of changes easier for the older generation whose work has created the country's wealth.

Rybkin also said that the Duma tries to create an environment in which Russian entrepreneurs would invest the capital in the Russian economy rather than take it abroad. He said that the flight of capital is intolerably high, $2 billion to $2.5 billion a month. A total of nearly $100 billion has left Russia in the last four years, he believed.

Zhirinovskiy Criticises Law on Presidential Elections

LD2403160395 Moscow ITAR-TASS in English 1511 GMT 24 Mar 95

[By ITAR-TASS correspondent Pavel Kuznetsov]

[FBIS Transcribed Text] Moscow March 24 TASS—The law "On Presidential Elections in the Russian Federation," adopted by the State Duma, contains a possibility for vote rigging, Vladimir Zhirinovskiy, leader of the Liberal Democratic Party group in the lower chamber of the Federal Assembly, believes. He said as much at a press conference today [24 March].

Provisions of the law, which say that presidential elections will be regarded as invalid, if less than 50 per cent of registered electors took part in them, will make it possible for the Central Electoral Commission which, Zhirinovskiy believes, is being controlled by the present authorities, to declare that 49.5 per cent of electors took part in presidential elections. This automatically means that the elections will be declared invalid, and Yeltsin will continue to discharge his duties.

According to Zhirinovskiy, the parliamentary group of the Liberal Democratic Party urged the parliamentary groups of the Agrarian Party and the Communist Party to vote for regarding presidential elections as valid, if no

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less than 25 per cent of electors took part in them, as is envisaged by the law on elections to the State Duma. However, the proposal was not supported.

Zhirinovskiy stressed that he opposed the provision of the law, which says that 1.5 million signatures should be collected by those who want to be nominated presidential candidate. He said that his party favoured a different figure—300,000 signatures. It may so happen, he believes, that only several "mafia ringleaders", capable of spending several trillion roubles on elections, will be able to buy a million and a half or two million votes.

Factions Ask Yeltsin To Convene Special Session on Ukraine

LD2403163795 Moscow INTERFAX in English 1355 GMT 24 Mar 95

[FBIS Transcribed Text] MOSCOW, Mar 24 (Interfax)—Leaders of nine State Duma factions have urged President Yeltsin to convene a special session for consultations with the government and parliament on relations with Ukraine.

In a letter, signed by leaders of the Agrarian Party, the Communist Party, the Russia's Women faction, the Liberal-Democratic Party, the Democratic Party, PRES, YABLOKO, the New Regional Policy Party, and the Stability group, the Ukrainian parliament's decisions on Crimea are denounced as "humiliating the will of the Crimean people and threatening the stability in the region bordering with Russia."

As is known, on March 17th, Ukraine's parliament abolished the constitution and the presidency in Crimea.

The signatories voiced concern at "the contradictory reaction to these events by some Russian government leaders, Foreign Ministry officials, and Federal Assembly deputies."

The deputies pointed out that "there have been especially equivocal assessments in the State Duma of the Russian government delegation's work at talks with Ukraine under the leadership of First Deputy Premier Oleg Soskovets."

Duma's Zatulin Explains Stance on No-Confidence Vote

LD2903142095

[FBIS Editorial Report] Moscow Radiostantsiya Ekho Moskvy in Russian at 1200 GMT on 29 March carries a statement by Konstantin Zatulin, head of the Duma committee for CIS relations, who explains why he wants to start collecting signatures for a no-confidence vote in the government. Zatulin says that his commission has requested the Russian-Ukrainian treaty documents, but has not received them yet. He adds: "We submitted this request for the documents on 10 February. I think this is enough time. The next sitting of the State Duma starts on 5 April. By then—by 5-6 April—it will become clear whether the president has a plan to remedy this situation or not, whether the prime minister or Deputy Prime Minister Soskovets intend to finally clarify the government's position on this subject. If he does not, the Duma can then begin the following week the procedure for a no-confidence vote."

Sergey Yushenkov, chairman of the Duma Defense Committee, is then heard to say that although the Duma is entitled to hold a no-confidence vote, most deputies will not support it because it will only destabilize the situation.

Meanwhile, the announcer reports, members of the Ukrainian parliament have expressed outrage at Zatulin's trip to Crimea. They believe it does nothing to strengthen Russian-Ukrainian relations. There have even been calls to declare Zatulin persona non grata and to never allow him into Ukraine again.

New 'Russia' Duma Faction Formed

MK3003092095 Moscow SEGODNYA in Russian 30 Mar 95 p 2

[Report by Gleb Cherkasov under the "Duma" rubric: "'Russia' Deputy Group Wants To Be 'Conservative Center.' Forming the Basis of New Association Are Those Who Quit NRP, and Independent Deputies"]

[FBIS Translated Text] The committee on the organization of the Duma's work registered a new "Russia" Duma group 27 March. The deputy association's basis is formed by those who quit the NRP [New Regional Policy] (12 deputies), and former independent Duma members (11 people). "Russia" was also joined by five deputies from the Party of Russian Unity and Accord [PRES], five Russia's Choice members, two Agrarians, and one deputy from the DPR [Democratic Party of Russia] (notably, another three former DPR members joined the group as independent deputies). Twelve out of 35 participants in the group are Duma committee chairmen.

Igor Shichanin, one of the men who had the idea to form the group, told your SEGODNYA correspondent that "Russia" advocates "normal" work and cooperation of all the power branches, and intends to adhere to positions of a "conservative center." The group "is not going to fight against anyone or for anything, and intends to find a common language with all political forces. Mr. Shichanin denies the involvement of major financial structures in the creation of the Duma "Russia" faction, but he does not rule out the fact that the Duma group will in the future seek versions of cooperation with possible "sponsors."

In Igor Shichanin's words, the group includes deputies who enjoy prestige in their regions and who have attained certain "success in life" even before being elected to the Duma. Mr. Shichanin believes that participation in the "Russia" group will help many deputies to realize their political potential to a greater degree. The work in the Duma by the group, in which, Mr. Shichanin

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vouched, an "iron discipline" will be imposed, will supposedly be coordinated by two "organizers."

"Russia" is against postponing the elections and is going to take the most active part possible in them. According to Igor Shichanin, work is currently in progress to create an eponymous public organization.

New Duma Groups Expected To Strengthen Democratic Wing

LD3003154895 Moscow ITAR-TASS in English 1250 GMT 30 Mar 95

[By ITAR-TASS parliamentary correspondent Pavel Kuznetsov]

[FBIS Translated Text] Moscow March 30 TASS—The new Duma groups of deputies "Stability" and "Rossiya" that have recently been registered in the lower house of the Federal Assembly strengthen the democratic wing in the State Duma, believes Boris Zolotukhin, deputy chairman of Russia's Choice faction. This is said in a statement of the press service of the faction circulated in the Duma on Thursday.

The new groups of deputies have democratic tendencies and will strengthen the positions of Duma deputies during meetings of the house and in the Duma council, Zolotukhin believes. In this connection Zolotukhin declared for the maintenance of close relations with new associations of deputies.

Court Rules on Time Limit for Federation Council Decisions

LD2303174995 Moscow INTERFAX in English 1401 GMT 23 Mar 95

[FBIS Transcribed Text] MOSCOW, Mar 23 (Interfax)—The Constitutional Court in Moscow has ruled that the Federation Council (the upper house of Russian parliament) is entitled to take longer than two weeks to consider any federal law after its approval by the lower house (State Duma), if it is listed among bills requiring debate in the upper house.

The ruling follows a Federation Council appeal for an interpretation of the federal Constitution's Articles 105 (section 4) and 106.

While section four says that any federal law is granted approved if the upper house fails to consider it within two weeks, article 106, listing laws mandatory for discussion by the Federation Council, sets no specific time limits.

The Constitutional Court ruling says that the upper house can hold further debate on a mandatory law, even if it fails to finalize it with 14 days, until the new law is approved or rejected.

The ruling applies to laws such as budget, war and peace, ratification or denunciation of international agreements.

Court Seeks To Reconcile Federation Council, Duma

MK2403124095 Moscow SEGODNYA in Russian 24 Mar 95 p 2

[Report by Sergey Parkhomenko under the "Constitutional Court" rubric: "Relations Between Parliament Chambers Have Been Streamlined"]

[FBIS Translated Text] It took the Russian Constitutional Court precisely one week to pass a verdict—and to give reasons for it—on the first case it has considered since it resumed its activity with a new lineup. Announcing its verdict yesterday, the Constitutional Court only partially satisfied the Federation Council's petition on the interpretation of contradictions that the Senate saw in Articles 105 and 106 of the Russian Constitution.

It should be recalled that the first article establishes a rigid two-week term for the upper chamber's consideration of draft laws passed by the State Duma and stipulates that laws that have not been considered during this period will be considered enacted as if by default. The second article submitted to the Constitutional Court for interpretation contains a list of enforceable documents of particular importance that are subject to the senate's consideration without any time limits. The Constitutional Court ruled that such laws cannot be considered to have been "automatically passed" even if the senators did not have time to analyze them within the established time. But in this case the Federation Council is obliged to start considering the draft law at its next meeting, for which purpose it must lay aside all other business regardless of its earlier approved agenda.

It is well known that relations between the two chambers of the Russian parliament, which are to be straightened out by the Constitutional Court's ruling, have become fairly tense. Complaints have repeatedly been heard from the State Duma's rostrum that the Federation Council is allegedly deliberately dragging its feet on the consideration of crucial draft laws. Senators, for their part, have always been ready to cite a whole range of enactments that whizzed past them at such a speed that they had no chance at all to analyze them (they singled out in particular the first chapter of the Russian Federation Civil Code, which was instantly signed by the president). The most adamant senators are even ready to suspect their lower chamber counterparts of arranging the timetable of Duma sessions so as to pass the most serious laws "out of phase" with Federation Council meetings, thus preventing the senate from considering them.

Concurrently with the text of its verdict on the first case, the Constitutional Court released its tentative work schedule for the next month. Among petitions scheduled to be considered by the Constitutional Court on a priority basis is the State Duma's request, again, seeking interpretation of contradictory constitutional provisions. This time the issue will be an old procedural

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argument: which number of deputies in each chamber should be considered "officially listed"—the numbers specified in the Constitution (450 for the State Duma and 178 for the Federation Council respectively) or actual numbers (excluding deputies who have died or left parliament for other reasons, and also seats that remain vacant because elections have not taken place, as was the case in Chechnya). A solution to this problem will determine how the quorum required for making parliamentary decisions should be calculated. It is at this point that the problem is losing whatever speculative importance it may have: during the 15 months of its operation the Russian Federation Federal Assembly has made a huge number of decisions (including of primary importance) by a very narrow margin, when one single pro or con vote proved to be decisive. As a matter of fact, Duma Speaker Ivan Rybkin was elected precisely in this fashion—by a one-vote margin according to the "lesser quorum." It is easy to imagine what scandal might erupt if the results of that vote alongside many other decisions are called into question.

Yushenkov Opposes Defense Proposal on Military Service

LD2903143695 Moscow INTERFAX in English 1332 GMT 29 Mar 95

[FBIS Transcribed Text] MOSCOW, Mar 29 (Interfax)— Chairman of the Russian Duma's (lower house of parliament) Defense Committee and member of the Choice of Russia group in parliament Sergey Yushenkov has opposed the proposal of the Defense Ministry to cancel service postponements and lengthen the active term of military service for the Russian Armed Forces.

Yushenkov told a news conference today this proposal aims to "revive the Armed Forces' readiness for world wars".

In the opinion of the deputy, it is necessary to replace the current Armed Forces with "professional troops or the regular Armed Forces and the Reserve in order to avoid serious problems in the troops." He thinks that the strength of the Armed Forces should not exceed 1.2-1.5 million people.

The expansion of NATO does not increase the military threat to Russia, said Yushenkov. In his opinion, this process is merely psychological and "what is more, weakens the very organization because it is more difficult to reach accord inside a body with a larger membership".

Yushenkov supported the START-2 treaty and a possible proposal of the Russian President to conclude the START-3 treaty. In his words, this corresponds to the strategic interests and technical and financial needs of Russia. At the same time, Yushenkov stressed that many Duma deputies are against ratifying the START-2 treaty and even more against ratifying START-3.

The committee chairman also said he plans to run as a Duma deputy at the next elections.

Parliamentary Passage of Security Organs Law Hailed

MM2903143895 Moscow ROSSIYSKAYA GAZETA in Russian 29 Mar 95 First Edition p 10

[Report by Boris Yamshanov: "Now We Have a Security Service, That Means We Will Have Security. State Duma Adopts Draft Law 'On Federal Security Service Organs'"]

[FBIS Translated Text] The State Duma has given the draft law "On Federal Security Service Organs" a fourth reading. Its fate has been a difficult one. As you know, two versions of the draft law were submitted by the State Duma and the Russian Federation president.

In view of the difference of opinion a conciliation commission was set up at the president's suggestion, comprising representatives of the Duma, the Federation Council, and the presidential staff. The commission's activity can be deemed to have resulted not only in a well-conceived document but also in fruitful experience of cooperation producing positive results.

The fight against organized crime and against terrorism is inconceivable without the power structures. When the dramatic events in Chechnya began the leaders of the FCS [Federal Counterintelligence Service] were often reproached: Why, it was said, did you permit the lawlessness, why did you not arrest the ringleaders in good time? And they gave the reasonable answer: How can we when the service is only provided with a few warrant officers guarding doorways? For several years now there had been neither sight nor sound of the "Alfa" or "Vympel" or other spetsnaz subunits in the special service. The new draft law envisages creating special operations directorates within the Federal Security Service.

Needless to say, such an all-around increase in the special service may give rise to certain misgivings. It is evidently no coincidence that some comments on the draft law underline precisely that aspect. But are there any other options?

The point probably lies in who is "at the helm" and in the nature of the mechanism for supervising their actions. The draft law envisages the kind of mechanism that incorporates forms authorized by the Russian Constitution.

Deputies were also given the right to monitor the financial activity of existing structures.

As in the previous instance, doubt can be cast here on the effectiveness of parliamentary control, as has already been said. But, having gone through the sequence of possible situations, we inevitably conclude that everything will depend on parliamentarians themselves, their activeness, principledness, and readiness to uphold citizens' interests in conflict situations rather than on their own personal well-being.

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The parliament has done its job. Now it is up to the president—once he has ratified the law it will come into force.

Duma Law Expanding State Debt Not Likely To Win Passage

MK2503092095 Moscow SEGODNYA in Russian 25 Mar 95 p 2

[Report by Aleksey Kirpichnikov under the "Debts" rubric: "Duma Passes Law on State's Commodity Obligations. This Does not Mean State Will Assume Them"]

[FBIS Translated Text] The State Duma passed "on the whole" a draft law "On State Commodity Liabilities" yesterday. In accordance with it, bonds entitling bearers to buy certain goods, special checks and deposits with which to buy cars, "Urozhay-90" checks, as well as the state's obligations to suppliers of agricultural products, are to be included in the state internal debt. The greater part of these obligations were assumed by the Ivan Silayev government. The law establishes a ten-year statute of limitations.

The government is ordered to develop a program for the payment of the debt in 1995-1997. The creditors—mainly agricultural producers—are entitled to choose the type of payment. The state is obliged to deliver to them the promised commodities or their worth in prices in effect at the time of delivery. Creditors also have the right to demand that the debt be converted into state securities or its sum be taken into account in privatizing state property.

The deputies did not seek the Finance Ministry's view on the draft law. The government's reaction to the draft law, however, is likely to be negative. The cabinet so far has been stating its intention to follow a tough budget policy this year and during the next two years.

The legal flaws in the draft and the absence of government and Central Bank proposals on how to pay the internal debt required by the law are going to lead at least to a revision of the draft, although it is not ruled out that parliament is going to insist on having its own way considering the election moods among the deputies.

Interestingly, the draft was proposed by members of the Agrarian Party faction, whose well-known functionary Gennadiy Kulik played far from the least part in the "Urozhay-90" checks story as RSFSR agriculture minister in the Ivan Silayev government.

Passage of Securities Law Postponed Indefinitely

MK2903114095 Moscow SEGODNYA in Russian 29 Mar 95 p 2

[Report by Pavel Kuznetsov under the "Regulators" rubric: "Deputies Want To Oversee the Stock Market. Federal Securities Commission Intends To Bypass Parliament"]

[FBIS Translated Text] The passing of the long-awaited law "On Securities" was postponed indefinitely following its 25 March discussion in the Duma Budget, Taxes, Banks and Finance Committee. A group of deputies assailed the document's fundamental provision—the place in the stock trading regulatory system of so-called "self-regulating organizations" (SRO). The main idea of the draft law, which has now taken more than a year to draft with the participation of specialists, consisted in attaching official status to associations of brokers who are ready to oversee the observance of the rules of the game on the securities market. Such associations are objectively interested in a stable market, openness of information, and single standards. This makes SRO oversight of participants in the stock market—brokers and dealers—the only alternative to crude interference by the state in securities operations.

Moscow representatives of the professional association of stock market participants who attended the committee's sitting were shaken by the "purely emotional arguments" of Duma members. For example, they were also unhappy about the fact that the lower house committee included in the document a description of bearer's securities which does not exist in normal markets abroad. The issue of stocks to bearers whose names are not on the lists of stockholders undermines the barely formed foundations of corporate management, let alone the fact that collecting taxes on transactions involving them and combating their forging would be impossible.

Dmitriy Vasilyev, deputy chairman of the Federal Securities Commission, accused the deputies, who have "a wealth of experience in the work of the Ministry of Internal Affairs investigation apparatus," of a desire to create a giant bureaucratic structure to keep tabs on a market which involves 112,000 joint-stock companies and 10,000 investment institutions, while, nevertheless, expressing hope for parliamentary support outside the committee. For the time being, the Chubays-Vasilyev ministry intends to bypass the Duma and put before the government a draft presidential edict "On SRO's of Participants in the Securities Market."

Bill on Public Procurator's Office Contains 'Drawbacks'

LD3003122695 Moscow ITAR-TASS in English 1108 GMT 30 Mar 95

[By ITAR-TASS parliamentary correspondent Pavel Kuznetsov]

[FBIS Transcribed Text] Moscow March 30 TASS—The draft law "On Amendments and Supplements to the Russian Law 'On the Public Procurator's Office of the Russian Federation'" worked out by the Public Procurator's Office and submitted to the State Duma contains drawbacks characteristic of this agency. It is aimed mainly at raising the living standards of officials of the Public Procurator's Office, believes Boris Zolotukhin,

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deputy chairman of Russia's Choice faction in the Duma. He said this at a news conference in the State Duma on Thursday.

It is characteristic that the draft law does not specify the responsibility of chiefs of the Public Procurator's Office for its activity, Zolotukhin noted. He believes that insignificant amendments to the existing law are not enough. It is necessary to revise functions of the Public Procurator's Office and set it the aim of combatting crime effectively. This revision is proposed in the draft law "On the Public Procurator's Office of the Russian Federation" worked out by the Institute of State and Law of the Russian Academy of Sciences and submitted to the Duma by deputies of Russia's Choice faction.

Federation Council Approves Communications Laws

MM2903142295 Moscow ROSSIYSKIYE VESTI in Russian 28 Mar 95 p 1

[Unattributed report under the rubric "In the Corridors of Power": "Ratification"]

[FBIS Translated Text] By decree, the Russian Federation Federal Assembly Federation Council has approved the federal laws "On the Ratification of the Charter and Convention of the International Electronic Communications Union" and "On the Ratification of the Fourth Additional Protocol to the Charter of the Universal Postal Union" adopted by the State Duma 24 February 1995.

Regional Affairs

Reportage, Commentary on Conflict in Chechnya

Army Statement on Gudermes

LD3003155495 Moscow ITAR-TASS in English 1527 GMT 30 Mar 95

[FBIS Transcribed Text] Moscow March 30 TASS— Russian troops in Chechnya seized the city of Gudermes at 15.00 hours Moscow time (12.00 GMT) on Thursday and sustained no losses in the operation, the press centre of the Russian troops said.

"The operation was carried out by interior troops which interacted with units of the Russian Army", it said adding that six resistance strongholds were suppressed during the operation.

"A lot of military hardware and weapons were seized. There were no losses of (Russian) personnel and equipment. The destruction of residential houses was avoided", the press centre said.

Gudermes is situated 36 kilometres east of Groznyy and is a major railway junction linking the Azerbaijani capital of Baku with North Ossetian city of Mozdok and the Russian southern regions of Rostov- on-Don and Astrakhan.

Gudermes is situated in an oil-rich region and was one of the last remaining strongholds of Chechen militants.

Seven Russian POWs Released

LD3003185695 Moscow ITAR-TASS World Service in Russian 1726 GMT 30 Mar 95

[By ITAR-TASS correspondents Mikhail Shevtsov and Aleksandr Kharchenko]

[FBIS Translated Excerpt] Mozdok (North Ossetia), 30 Mar—Another seven Russian servicemen released after being held captive by Dudayev were taken from Groznyy to Mozdok today. Among them are four soldiers from the Tver Motorized Rifle Brigade. [passage omitted] There are three soldiers from the Samara Motorized Rifle Regiment. [passage omitted]

On Wednesday 29 March, five people who were released earlier were taken to the town. [passage omitted]

ITAR-TASS was told by a Federal Counterintelligence Service spokesman in Mozdok that the operation to release the hostages was carried out by the counterintelligence officers through Muslim authorities in Chechnya. The soldiers were taken out from mountainous villages in the south of the republic as far as Groznyy through territory controlled by the combatants. It is expected that it will be possible to help out a further five soldiers and two officers soon.

Chechens Deny Capture of Gudermes

LD3003191795 Moscow INTERFAX in English 1808 GMT 30 Mar 95

[FBIS Transcribed Text] Groznyy, Mar 30 (INTERFAX)— A representative of the Dudayev regime, Movladi Udugov, has denied reports, coming from the press center of the command of federal troops in Chechnya, stating that these troops seized Gudermes today.

He told Interfax over the phone that as of 17:00 [1300 GMT] Gudermes was still controlled by Dudayev formations. He said Russian troops were launching artillery and bomb attacks on the town.

Udugov said Shali had also come under fire.

He said that more than 120 civilians had been killed in Gudermes and Shali.

Udugov said the Russian troops had launched artillery and bomb attacks on the Chechen villages of Elistanzhi, Selmentauzen, Bamut, Samashki and Alkhankala. He said there were civilian victims, including children. He said some houses had been destroyed.

The press center of the federal troop command in Chechnya told Interfax that six pockets of Dudayev armed formation resistance were neutralized during today's liberation of Gudermes.

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The same source said the operation in Gudermes was carried out by both Russian Interior Ministry troops and regular army units. There were no casualties among the federal troops.

No information on losses suffered on the side of Chechen formations is yet available.

The same source said large quantities of equipment and armaments had been seized. He added that no homes had been damaged in the operation.

Shali Blockade Continues

LD3003194895 Moscow ITAR-TASS in English 1935 GMT 30 Mar 95

[By ITAR-TASS special correspondents Mikhail Shevtsov and Aleksandr Kharchenko]

[FBIS Transcribed Text] Gudermes/Shali (Chechen Republic) March 30 TASS—Federal troops on Thursday dislodged Chechen fighters from the town of Gudermes, 40 km east of Groznyy. The blockade of the other stronghold, Shali, 36 km southeast of the Chechen capital, continues.

Sergey Tulin, commander of the 76th Pskov Airborne Division's Mixed Regiment, gave TASS the details of the operation in Gudermes. At 21:15 Moscow time on Wednesday, Chechen fighters attempted to drive airborne troops out of the height on the Terek ridge south of Gudermes. They attacked in groups of 40 to 50 people from the village of Belorechye.

The fighting continued till early morning. Three Russian soldiers were wounded, while Chechens lost some 30 fighters. Throughout Thursday, approaches to the heights were mined in the direction of Chechen fighters' possible breakthrough to Gudermes.

The Russian Army also provided a fire cover for interior troops entering Gudermes. Separated groups of militants repeatedly attempted to break through federal troops out of the town. However, the greater part of Chechen fighters left Gudermes before its blockade began.

Fighting in Gudermes continued on Thursday afternoon. At 15:30 the town's northeastern industrial zone and the village of Komsomolskoye north of Gudermes were subjected to fire from Grad missile-launchers.

By 18:00, the fighting was over. Interior troop columns moved to the town from the southwest.

In the afternoon, Russian troops started reinforcing their positions along the town's perimeter. A special group of the Pskov Airborne Division is strengthening its rears on the Terek ridge, south of Gudermes.

Throughout Thursday, federal troops continued the blockade of Shali without entering it. The likelihood is that a political rather than military solution will be found. This possibility is now being negotiated by the federal troop command and Shali eldermen and authorities.

According to Russian officers maintaining the blockade, the bulk of local residents and people's volunteers are reluctant to continue fighting. But there is a certain group of people, largely former criminals, who have nothing to lose and are therefore prepared to fight to the last drop of blood.

Further on Blockade of Shali

LD3103063495 Moscow ITAR-TASS World Service in Russian 0515 GMT 31 Mar 95

[By ITAR-TASS special correspondents Mikhail Shevtsov and Aleksandr Kharchenko]

[FBIS Translated Excerpt] Gudermes/Shali (Chechen Republic), 31 Mar—[passage omitted]

Today the federal troops are continuing to blockade the inhabited locality of Shali. Lieutenant Colonel Salavat Yakupov, commander of the 506th motorized rifle regiment from the Volga Military District, said that for the time being troops have not entered Shali. There is great confidence it will be possible to resolve the problem not by military but by political means. To this end the command of the federal forces is now holding talks with the elders and the authorities of Shali.

Dudayev's militants have prepared themselves thoroughly for the defense of this inhabited locality: they have dug some three kilometers of engineer structures, in two echelons, according to all laws of military engineering art.

Russian officers believe that no less than 10 days are need to equip such defensive lines. When capturing militants' positions, large reserves of food and ammunition were discovered there.

On the approaches to Shali corpses of militants remain uncollected. Many of them are wearing steel helmets and bulletproof vests.

Officers of the subunits blockading Shali claim that the bulk of the population and the irregulars do not want to fight. There is, however, a special category of people—former criminals who don't have anything to lose anyway. They are ready to fight until the end.

Federal Troops Said To Control Gudermes

LD3103064895 Moscow ITAR-TASS World Service in Russian 0552 GMT 31 Mar 95

[By ITAR-TASS special correspondents Mikhail Shevtsov and Aleksandr Kharchenko]

[FBIS Translated Text] Mozdok, 31 Mar—By Thursday evening subunits of Russia's interior troops had taken the town of Gudermes under full control, ITAR-TASS was told by a spokesman of the Defense Ministry's department for information and the press in Mozdok.

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During operations in the town the troops encountered five insignificant centers of resistance by the militants. It is expected that today the interior troops will continue combing the town.

According to these same data, an ultimatum to surrender before 1000 hours today was issued to the militants who are completely blockaded in the town of Shali by the federal troops. If this demand is not met the town will be taken by force, military sources reported.

Chechens Yet To Confirm Fall of Gudermes

LD3103110895 Moscow Radiostantsiya Ekho Moskvy in Russian 0800 GMT 31 Mar 95

[FBIS Translated Text] The situation in Chechnya remains extremely tense. Today, a representative of the Ministry of Defense in Mozdok confirmed that federal troops occupied the town of Gudermes on Thursday evening. It is reported that internal troops began a combing operation in the town this morning. Chechnya's mission in Moscow, however, is not confirming the capture of Gudermes. Here is (Ramazan Murzayev), the mission's press secretary:

[Begin (Murzayev) recording] Gudermes has been blockaded from the northeast, the southeast, and the east. Units are being brought in along the Terskiy range, from Mozdok (?to) Tolstoy-Yurt and on along the range. Artillery shelling from the heights near Gudermes, where the television tower was, is continuing. In the Shali zone, Russian troops are stationed in the fields; they are digging trenches for men, artillery, and armored equipment. Aviation is ahead of them, and artillery shelling, bombing, and rocket fire are continuing day in, day out, hour by hour. They are using Grad and Uragan systems. [end recording]

Today, the Ministry of Defense said that supporters of Dzhokhar Dudayev in Shali have been given an ultimatum with a demand to lay down their weapons. If it is not implemented, the town will be taken by force. In Ramazan Murzayev's view, however, the conflict cannot be settled peacefully with the help of ultimatums:

[Begin (Murzayev) recording] Russia is putting forward an ultimatum—surrender the arms and go for elections. This option is, first, unacceptable, and second, elections cannot be held at gunpoint—people will not turn up. This is one thing—and another thing: Why does one need all this palaver? Why do people have to die on both sides? In order to organize elections, one has to return the migrating population back. For this, the war must be stopped. But the war cannot be stopped if the Russian troops do not withdraw. All this is interconnected. [end recording]

Federal Troops Capture Shali

LD3103115495 Moscow ITAR-TASS World Service in Russian 1136 GMT 31 Mar 95

[By ITAR-TASS special correspondents Aleksandr Kharchenko and Mikhail Shevtsov]

[FBIS Translated Text] Mozdok, 31 March—The town of Shali was captured by federal forces at 1400 today.

The press center of the combined forces' command reported that the local people gave what help they could to the troops during their advance through the districts and streets. There are no losses among the servicemen or the civilian population.

Further on Explosions in Maritime Kray

No Victims Reported

LD3003171095 Moscow INTERFAX in English 1527 GMT 30 Mar 95

[FBIS Transcribed Text] Moscow, Mar 30 (INTERFAX) - Explosions were registered today at a military warehouse where missiles are kept at 12:10 Moscow time [0810 GMT] near the populated center of Taly (Far East, the Khabarovsk region).

According to preliminary information, there are no victims, the Russian Ministry for Emergencies told Interfax. There were no chemical weapons being stored there, they also emphasized.

Explosions stopped at around 12:30. Measures are being taken for dealing with the after-effects.

Situation Said 'Localized'

LD3003195595 Moscow Radio Rossii Network in Russian 1800 GMT 30 Mar 95

[FBIS Translated Excerpt] Three explosions in less than three years. The military in the Maritime Region operate with precision, as if by order. [passage omitted]

Yesterday there was another incident involving ammunition. Our correspondent Olga Zhurman reports from Vladivostok.

[Zhurman] The Civil Defense duty headquarters announced that the first explosion went off at 1840 local time. According to the duty officer at the Internal Affairs Directorate, artillery shells—unconfirmed reports say rocket-propelled ones—exploded at the arsenal of the Far Eastern Military District's 5th Army, the headquarters of which are in Khabarovsk.

The actual arsenal is located near the settlement of Talovyy, 14 km from the district center. According to the duty officer at the regional Civil Defense Headquarters, the first explosion may have occurred because of flames from a spring burn-off, but there is so far no precise information from the Civil Defense Task Force that left for the site of the incident.

The duty officer said that, at present the explosion has been localized, and there are no casualties.

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'Contradictory' Reports Received

LD3003223595 Moscow ITAR-TASS World Service in Russian 2156 GMT 30 Mar 95

[By ITAR-TASS correspondents Dmitriy Kashirin and Leonid Vinogradov]

[FBIS Translated Excerpt] Vladivostok, 31 Mar—Contradictory reports are coming into the Far East branch of ITAR-TASS on the incident at the military depots in the vicinity of the village of Taloye in the Maritime Territory. At roughly 1700 Moscow time [1300 GMT] yesterday [30 March] the territory's civil defense headquarters reported that the explosions at the dumps had stopped. Today, Leonid Limonov, the duty officer at the headquarters, reported that the explosions are continuing. He said that individual propellant charges were exploding.

The civil defense headquarters also said that the incident at the military munitions depots were the results of a forest fire. Fire from it spread to depot premises. Rocket projectiles were detonated. [passage omitted]

The Maritime Territory radio reported this morning that there were no casualties or damage in the vicinity of the incident, but windows had been blown out of several houses by the force of the blast. The arsenals belong to the Far East military district. At the scene of the incident, Yevgeniy Nazdratenko, governor of the Maritime Territory, is in charge of the operation to clear up the aftermath of the accident.

Explosions 'Have Stopped Completely'

LD3103013195 Moscow ITAR-TASS World Service in Russian 0018 GMT 31 Mar 95

[By ITAR-TASS correspondent Dmitriy Kashirin]

[FBIS Translated Text] Vladivostok, 31 Mar—ITAR-TASS has just been told by the duty officer of the territory's civil defense headquarters that the explosions at the military depots in the settlement of Talovyy in the Maritime Territory have stopped completely. In the area of incident all seats of fire have been eliminated. There are no casualties among the population or major damage. In some villages and in the rayon center—the settlement of Pogranichnyy—windows have been blown out as a result of the explosions.

Shaymiyev Affects Kazan Mayoral Elections

954F1886A Moscow MOSKOVSKIYE NOVOSTI in Russian No 15, 26 Feb-5 Mar 95 p 10

[Article by Yelena Chernobrovkina, under the "Tatariya" heading: "Big Boss Takes Kazan"]

[FBIS Translated Text] "The post of mayor of Kazan is worth 20 seats in parliament"—this was heard at a pre-election conference of the opposition electoral bloc of Tatarstan "Equal Rights and Legality" (RiZ). This block is vying for representation in parliament as a result of the elections to soviets of all levels, which will take place on 5 March.

According to the plan, the republic will have a unicameral parliament, but in reality it is bicameral, corresponding to the half-forgotten schema of "congress—Supreme Council." Of the 130 deputies, 69 (elected from territorial districts) will be working professionally and 61 (from administrative-territorial districts) will have to manage the state "by moonlighting."

The future "moonlighting" deputies are known by name even today. They are the administration chiefs who are appointed by the president. A "special district" has been created for them, and "special benefits" are stipulated in the law on elections. They include the right to be elected to two councils (in order to head "their own" council again in addition to the post of chief). This right is granted only if you live or work in the given administrative-territorial district, so that "aliens" will not get the idea of running, especially in rural areas. And there nobody will run against the "big boss." The right to election without alternatives is also stipulated especially for administrative-territorial districts.

For the sake of such a law on elections, one-fourth of the new constitution had to be changed. And now in the future parliament—State Council of Tatarstan—President Mintimer Shaymiyev will have his own "Federation Council," with a predominance of deputies from rural areas.

Where does the president get his dislike of cities? In Tatarstan the rural areas have always voted according to the president's slightest wish. Kazan is distinguished by its obstinate nature. The 100-percent controllability of the rural areas was shown by the elections to the Federal Assembly. On 12 December 1993, when the leaders of the Republic of Tatarstan needed for them to be ignored, there was almost a 100-percent no-show in rural areas. On 13 March 1994, Shaymiyev himself ran for the Federation Council and almost 100 percent in the rural areas voted for him.

Such tricks do not work with Kazan. In the elections to the Russian Federation State Duma, the residents of Kazan voted for opposition candidates and not the "party in power." In the current elections, the opposition has nominated its candidates for practically all Kazan districts in the elections to the Republic of Tatarstan State Council and the Kazan City Council. The strongest opposition is in the administrative-territorial district of Kazan city, which includes the entire capital. Nominated as candidates here, among others, are the chief of the administration of Kazan, Kamil Iskhakov, and the leader of the opposition, RiZ chairman Ivan Grachev.

The center for social problems of Tatarstan has published the results of a poll: Grachev has a "much higher rating" than Iskhakov. During the elections to the Federation Council in March 1994, RiZ boldly nominated Ivan

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Grachev in a two-mandate district where the high republic officials were running: the president, the chairman of the Supreme Council, and his deputy. At that time the authorities did not decide to test the public confidence in them again and withdrew Grachev's candidacy.

The same device, but in a cruder form, has been used this time. Ivan Grachev was not allowed to register as a candidate deputy, under the illegal pretext that Grachev, as a deputy to the Russian Federation State Duma, lives in Moscow. Neither the Central Election Commission nor the court nor the Supreme Court wanted to pay attention to the fact that Grachev had a temporary official residence in Moscow and no permit, and he had a permanent permit in Kazan. In Kazan he was deprived of his right to vote, which actually means his citizenship.

State structures would hardly agree to such an out-and-out violation of the law were the shadow of the president himself not looming behind the back of the current Kazan mayor. Why does he need a member of the opposition among his time-tested advisers? Such a mayor would not fit into the nomenklatura. In addition to everything else, Grachev is an economist. His program for economic reform of Tatarstan was regarded as the best in the republic competition. It was recognized but, like Yavlinskiy's "500 Days" in its time, was not used. Such a "Tatar Boris Nemtsov" might well turn the oasis of stagnation upside down and show (Yavlinskiy, incidentally, is prepared to help him with this) what real reforms are.

Sverdlovsk Oblast 1994 Socioeconomic Statistics

954F1780A Yekaterinburg URALSKIY RABOCHIY in Russian 3 Feb 95 pp 1, 2

[Report by Sverdlovsk Oblast Committee for State Statistics on Socioeconomic Status of Sverdlovsk Oblast in 1994]

[FBIS Translated Text] Industry

According to available data, industrial enterprises in the oblast produced goods worth 15,679,100,000,000 rubles in 1994. Enterprises of mixed ownership produced 74.6 percent of the total, state enterprises produced 16 percent, and private enterprises produced 9 percent. Enterprises owned by public organizations produced 0.3 percent of the total, and municipally owned enterprises produced 0.1 percent.

The physical volume of industrial production in 1994 was 20.6 percent below the 1993 figure. Furthermore, the decline was of a structural nature: A relatively moderate decrease in output in electrical power engineering (6.8 percent), the food industry (10.7 percent), ferrous metallurgy (11 percent), and nonferrous metallurgy (0.1 percent) was accompanied by highly pronounced decreases at enterprises of light industry (40.8 percent) and machine building and metalworking (45.8 percent).

The output of commercial timber in the logging industry in 1994 was 31.1 percent below the figure for the previous year. There were sizable decreases in the output of the main products of enterprises in the woodworking and pulp and paper industry: 27.3 percent for lumber, 16.4 percent for plywood, 34.9 percent for fiberboard, 41.6 percent for laminate, 69.4 percent for matches, and 53.5 percent for cardboard.

The year of 1994 was extremely unfavorable for branches of industry engaged in the production of consumer goods. The output of the main food products decreased: by 6.6 percent for meat, 26.8 percent for whole-milk dairy products, 31 percent for butter and lard, 19.1 percent for bread and baked goods, and 24.3 percent for fish products. Meanwhile, there was an increase in the output of mayonnaise, noodles, and confectionery. The reduction of output was even more dramatic in light industry. The output of fabrics of all types decreased by 76.3 percent, the knitwear output decreased by 42.6 percent (43.2 percent for children's knitwear), the output of hosiery decreased by 55.9 percent, and the output of footwear decreased by 58.1 percent (67.6 percent for children's shoes).

One of the reasons for the reduction of output was the interruption of operations in production units and whole enterprises. The highest number of stoppages was recorded at enterprises of machine building and metalworking (47.1 percent of all the lost work time in industry), light industry (14.2 percent), and ferrous and nonferrous metallurgy (15 percent and 7.5 percent respectively). The main causes were the absence of physical resources and difficulties in the sale of finished products.

Capital Construction

Enterprises and organizations of every property status designated 2,754,200,000,000 rubles for the construction of production facilities and for housing and civil construction projects in 1994 (77 percent of the 1993 figure). State enterprises accounted for 1,283,300,000,000 rubles (46 percent), and enterprises of other forms of ownership accounted for 1,470,900,000,000 rubles (54 percent). The main sources of capital investment financing (67 percent) were the personal funds of enterprises and organizations. Federal and local budget funds amounted to 686 billion rubles (22 percent of the total, as compared to 27 percent in 1993). The amount of capital investment used in the construction of social facilities was 1,200,100,000,000 rubles (75 percent of the 1993 figure). Projects involving fixed capital worth 1,548,600,000,000 rubles were completed. Construction projects completed during the year produced 1.21 million square meters of housing (78 percent of the 1993 figure and 81 percent of the 1992 figure), 899 homes built by private builders with a total area of 96,100 square meters (33 percent more than in 1993), schools for 6,927 students, preschool institutions for 1,335 children, hospitals with 290 beds, out-patient

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clinics for 1,070 patients a day, and vocational and technical institutes for 600 students.

Construction organizations in the oblast completed contracted work for 1,795,400,000,000 rubles, including 138.6 billion rubles' worth of work (8 percent of the total) performed by state enterprises, 20.4 billion (1 percent) by municipal enterprises, 963.4 billion (54 percent) by enterprises of mixed ownership, and 673 billion (37 percent) by private organizations. Besides this, minor repairs and maintenance work were performed for 58.4 billion rubles, including 8.6 billion rubles in repairs of buildings and installations.

Agriculture

The gross agricultural product in 1994 was 10 percent below the 1993 level (in comparable units). The gross yield of grain on all categories of farms was 732,400 tonnes after preliminary processing (98 percent of the 1993 figure), and figures for other crops were 855,400 tonnes for potatoes (131 percent of the 1993 figure), and 262,800 tonnes for vegetables (115 percent). Oblast per capita output was 183 kilograms of potatoes and 56 kilograms of vegetables. Grain production was concentrated mainly at agricultural enterprises, and most of the potatoes and vegetables were grown in the private subsidiary sector by the population. The proportional amount of potatoes grown on private plots rose by 11 percent in 1994, and the figure for vegetables was 17 percent.

The area occupied by collective orchards and vegetable gardens increases each year. On 1 January 1995, 441,800 families had plots in collective orchards with a total area of 34,900 hectares (110 percent of the 1993 figure) and 342,700 families had plots in collective vegetable gardens with a total area of 19,600 hectares (102 percent).

Deliveries of grain to grain collection enterprises in 1994 amounted to only 1,800 tonnes, which is less than 1 percent of the harvest and 14 percent of the 1993 figure. State resources amounted to 14,100 tonnes of potatoes (50 percent of the 1993 figure) and 30,000 tonnes of vegetables (54 percent).

According to estimates, farms of all categories produced 147,900 tonnes of meat (slaughter weight), 803,000 tonnes of milk, and 1,280,300,000 eggs in 1994, or 6-15 percent less than the previous year. Per capita output was 32 kilograms of meat, 171 kilograms of milk, and 273 eggs.

The herd of cattle (including cows) at agricultural enterprises decreased by 17 percent, and there were respective decreases of 32 percent and 11 percent for pigs and poultry. The rate of herd reproduction declined, and the rate of veterinary disease rose. The average daily weight gain of cattle fell to 404 grams (10 percent below last year's figure), and the figure for pigs fell to 172 grams (52 percent). The average yield of milk per cow was 2,280 kilograms, or 399 kilograms less than in 1993. The average yield of eggs per laying hen was 244, as compared to 248 eggs in 1993.

The steady tendency toward reduction in the output of animal husbandry products was accompanied by substantial decreases in purchases of livestock, poultry, milk, and eggs. The amounts purchased for state resources in 1994 totaled 127,900 tonnes of livestock and poultry (93 percent of last year's figure), 351,500 tonnes of milk (73 percent), and 952,800 eggs (82 percent).

On 1 January this year there were 3,034 private farmers (97 percent of the 1993 figure). These farmers occupied 95,900 hectares of land, including 63,800 hectares of plowland—an average of 21 hectares per farm, as compared to 18 hectares in 1993. The establishment of new peasant (or family) farms is being accompanied by the liquidation of the older ones: 1,221 private farms ceased to exist in the last three years.

Transportation and Communications

The continuing decline of production in the main branches of the national economy led to the further reduction of the volume of freight shipped by public carrier by 30 percent in comparison with the 1993 figure, including decreases of 24 percent for rail transport and 40 percent for motor vehicle transport. By the end of 1994 the rate of decline had slowed down: It was 35 percent in the first half of the year and 23 percent in the second half.

Freight shipped by rail in 1994 amounted to 105.4 million tonnes, which was 33.4 million tonnes less than in 1993. The volume of all of the main types of national economic freight decreased: by 39 percent for timber, 28 percent for construction materials, 25 percent for coal, 19 percent for ferrous metals, and 17 percent for chemical fertilizers.

Rail passenger traffic decreased by 4.7 percent. There were delays in 1.4 percent of all long-distance runs by trains, and 1.3 percent of all suburban trains were behind schedule when they arrived at their destination.

Public motor vehicle transport carried 45.8 million tonnes of freight in 1994, or 30.3 million tonnes less than in 1993. The percentage of freight carried by motor vehicle decreases each year because these shipping rates are higher than rail freight rates. In 1994 motor transport carried 30 percent of all freight, which was 5 percent below the 1993 figure.

Passenger transport enterprises served 787.8 million passengers (85.1 percent of the 1993 figure). Total passenger traffic amounted to 5,956,700,000 passenger-kilometers (86.6 percent). All types of transportation completed 8,449,000 runs in 1994 (79 percent urban, 19 percent suburban, and 2 percent inter-urban).

Oblast air transport enterprises served 735,700 passengers in 1994 (one-third less than in 1993) and carried 5,200 tonnes of freight (half as much as in 1993). The number of completed flights by Russian airlines decreased by 23 percent, and completed flights by local airlines decreased by 42 percent. There was a lower

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percentage of delayed flights. There were delays on 27 percent of the flights of Russian airlines (39 percent in 1993) and 16 percent on local airlines (23 percent). Communications enterprises earned income totaling 219.5 billion rubles from their main activities in 1994, including receipts of 66.7 billion rubles from the population. Total income was 6.3 times as high as the 1993 figure, and receipts from the population were 7.6 times as high. The physical volume of communication services, however, is still decreasing. The number of telegrams transmitted was 40 percent below the 1993 figure, sales and deliveries of periodicals decreased by 37 percent, and there were decreases of 33 percent in parcel post, 25 percent in postal money orders, and 20 percent in the delivery of letters and other printed matter. The oblast telephone network was augmented by 21,200 new numbers during the year (3.6 percent). The number of residential phones increased by 24,700 (6 percent), and the number of phones in rural locations decreased by 1,500 (2.8 percent).

Commercial Exchanges

In 1994 the oblast had three commodity and raw material exchanges ("Ural," the Ural Central Exchange, and the Ural Commodity and Raw Material Exchange), the Yekaterinburg Stock Exchange, and the Ural Regional Currency Exchange. During the year the exchanges held 953 trading sessions, where 21,703 transactions were completed, including 972 consumer goods transactions, 16,666 transactions with technical products for use in production, 935 transactions for the sale of monetary resources and securities, 3,098 foreign exchange transactions, and 32 transactions for other physical assets and commodity stocks. Total turnover amounted to 4,759,900,000,000 rubles, including foreign exchange operations for 4,671,600,000,000 rubles (98.1 percent of total turnover). Physical assets were sold for 57 billion rubles (1.2 percent). Metal and metal products were in high demand in trading sessions and their sales amounted to 19.1 billion rubles. Sales of monetary resources and securities totaled 23.8 billion rubles, representing 0.5 percent of the total exchange turnover. Sales of other physical assets and commodity stocks amounted to 3 billion rubles (0.1 percent).

Privatization

Applications for the privatization of 897 enterprises were submitted in 1994—60 percent were municipal property, 10 percent were oblast property, and 30 percent were federal property. Their total value amounted to 85.3 billion rubles (in prices prior to the revaluation of fixed capital on 1 January 1992), and these enterprises employed more than 300,000 people. Around 60 percent of the enterprises proposed for privatization were operating at a profit. Eighty percent of the enterprises operating at a loss were municipal property.

During the year 939 enterprises were privatized, and the number privatized since the beginning of the process climbed to 3,767. Around 90.7 percent of all the privatized enterprises were purchased completely through sales. The rate of privatization in the past year was only two-thirds as high as in the previous year.

The number of enterprises sold at auction, in competitive bidding sessions, and by means of buyouts of leased property was 580. The sale price was 1.9 times as high as the original price, as compared to 4.5 times as high in 1993. Issues of stock represented the prevailing method of the privatization of medium-sized and large state enterprises. The total number of joint-stock companies established in 1994 was 351 (648 since the beginning of privatization), and more than half were in industry. The controlling block of stock was reserved for the state in 50 joint-stock companies, and the state has "gold shares" with veto rights in 18 enterprises. Most of these are federally owned enterprises (in industry, construction, and transportation).

The number of apartments which became private property by means of privatization amounted to 453,614 on 1 January 1995, or 31 percent of all the apartments that could be privatized. The rate of the privatization of housing was three times higher in 1993 than in 1994. In 1994 88,888 apartments were privatized in the oblast (9 percent of the number scheduled for privatization). The average size of the privatized apartment is 44.3 square meters, the average cost of a privatized apartment is 4.8 million rubles, and the average cost per square meter is 108,200 rubles. Privatization has been most intense in cities: Yekaterinburg (26,338 privatized apartments), and Nizhniy Tagil (9,117 apartments).

Consumer Market

Sales of goods to the population through all sales channels, including trade in unofficial markets, amounted to approximately 7.1 trillion rubles in 1994. Most of these goods were purchased by the population in the non-state sector of trade, and only 16.8 percent were purchased in the state sector.

The commodity turnover of officially registered trade and public food service enterprises amounted to 4.289 trillion rubles, or 3.4 times as high as the 1993 figure in actual prices and 1.1 percent below the 1993 figure in comparable prices. The decrease in physical turnover since 1992 was 6.4 percent, and the decrease since 1991 was 45.1 percent, which was partly due to the redirection of the flow of commodities to the unorganized sector of trade. Sales of consumer goods to the population totaled 3.979 trillion rubles, and sales of the products of food service enterprises totaled 310 billion rubles. Current stocks of consumer goods in oblast trade on 1 January 1995 totaled 501.8 billion rubles, which was enough to secure the uninterrupted work of the trade network for 28 days.

The relatively large and stable supply of goods in the consumer market in 1993 began to decrease in 1994.

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Sales of food to the population amounted to 2.536 trillion rubles, or 1.1 percent less than last year in physical volume.

Economic Relations with Distant Foreign Countries

Foreign trade with countries of the far abroad amounted to 975.2 million dollars and was 11 percent greater than the 1993 figure in current prices.

Goods worth 831.7 million dollars were delivered for export, and the volume of imports was much lower—143.5 million dollars. Exports to industrially developed countries were equivalent to 444.9 million dollars, exports to developing countries amounted to 131.5 million, exports to the Baltic countries amounted to 13.2 million, and exports to other countries (former CEMA countries, republics of the former Yugoslavia, China, and the DPRK) amounted to 242.1 million dollars. The oblast's traditional trade partners are still the leaders in our exports: China—196.1 million dollars (23.6 percent of all exports), the Netherlands—103.9 million (12.5 percent), Germany—68.2 million (8.2 percent), the United States—63.8 million (7.7 percent), and Switzerland—39.9 million (4.8 percent).

The structure of foreign trade did not undergo any substantial changes in 1994. The highest percentage of exports was still represented by shipments of raw materials—89.9 percent of all exports, and the figures for other exports were 4.6 percent for products of the chemical industry, 2.1 percent for machines and equipment, and 3.4 percent for other goods and services.

The volume of imports decreased slightly—1.1 percent below the 1993 figure in current prices. Most of the imports came from industrially developed countries—70.9 percent (49.3 percent in 1993). Proportional imports from developing countries decreased from 12.1 percent to 8.6 percent, and imports from former CEMA countries decreased from 17.7 percent to 11.6 percent. There was an increase in imports from Germany, Great Britain, Sweden, and Austria and a reduction of imports from China, the United States, Belgium, and Hungary.

The balance of foreign trade was positive and amounted to 688.2 million dollars (591.1 million in 1993).

Enterprises and organizations in Sverdlovsk Oblast deposited foreign currency equivalent to 713.9 million dollars in their transit foreign currency accounts in 1994. Compulsory sales of currency from the transit accounts amounted to 325.6 million dollars.

The amount deposited in current foreign currency accounts was 758.8 million dollars, including 434.3 million from exports of products, or 57.2 percent of total foreign currency receipts. Financial credits were received in the amount of 192.6 million dollars. Foreign currency receipts from the export of services amounted to 24.2 million dollars, and purchased foreign currency amounted to 79.1 million dollars.

Finances

The financial status of enterprises stabilized somewhat by the end of 1994 after the severe exacerbation of the middle of the year and displayed a possible tendency toward improvement.

The consolidated budget income of Sverdlovsk Oblast in 1994 was 2,960,600,000,000 rubles. The main sources of this income, just as before, were the profit tax (1,195,700,000,000 rubles), private income tax (568.5 billion), value-added tax (312.5 billion), property tax (175 billion), and excise tax (110.9 billion). The proportion accounted for by the profit tax in total state taxes, duties, and fees deposited in the budget was 13.2 percent below last year's figure. In connection with this, the total amount owed to the budget by enterprises in industry, construction, transportation, and agriculture on 1 December 1994 was 1,290,900,000,000 rubles, or 43 percent of the consolidated budget income, including overdue payments in the amount of 963.3 billion rubles, or 32 percent of the total. Budget expenditures amounted to 2.777 trillion rubles. Priority was assigned to the funding of sociocultural measures. These expenditures totaled 1.415 trillion rubles (50.9 percent of the total). Expenditures on the national economy amounted to 939.4 billion rubles (33.8 percent).

Mutual nonpayments are still a serious problem, although the situation is not as critical as it was before. The overdue credit obligations of industrial, construction, agricultural, and transport enterprises and organizations (including debts owed to banks and extended loans) on 1 December amounted to 2,951,200,000,000 rubles. The rate of increase peaked at 129 percent in June and dropped to 101 percent in November.

Overdue incurred debts amounted to 2,467,100,000,000 rubles (45 percent of the total). Around 85 percent of the total (2,095,500,000,000) was owed by customers for goods delivered, work performed, and services rendered. The increase in indebtedness was 106 percent in November, but the average monthly rate was 115 percent. According to preliminary estimates, the rate of increase in nonpayments did not exceed the November level by the end of the year.

The amount of back wages owed by enterprises to their workers is still substantial. The size of this debt in just three branches of the economy totaled 96.9 billion rubles on 1 January 1995, including 62.4 billion in industry, 22.5 billion in agriculture, and 11.9 billion in construction. Workers were not paid on time at 637 enterprises in these branches. Unpaid wages increased more than fourfold during the past year.

Prices

Prices in all branches of physical production and in the consumer market rose more slowly in 1994 than in 1993, but the rate of increase was still high. During the year

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(December 1993 to December 1994), the prices of consumer goods and services displayed a 2.8- fold increase (8.5-fold in 1993), the prices of the products of industrial enterprises at the end of the year were 2.9 times as high as they had been at the beginning (10.6 times in 1993), and freight rates were 3.6 times as high (22.9 times in 1993).

In the consumer market the high rate of inflation in January and February (12 percent and 10 percent respectively) had been reduced by half by September, but in October-December the rate rose sharply to the maximum level as a result of increases in the purchase prices of agricultural products and the pervasive decline of the exchange rate of the ruble. The average monthly rate of rise in prices was 9.9 percent in the first quarter, 7.5 percent in the second quarter, 5.1 percent in the third, and 13.6 percent in the fourth, and the respective price indices were 133, 124, 116, and 147 percent. In 1994 the rates of paid services for the population rose much more quickly than the cost of housing and public utilities. The rate of increase in food prices was higher than the rate for non-food items.

There were sizable increases in the prices of all food products: 2.5 times for fish products, vegetables, and fruit, 2.7 times for meat products, from 3 to 4 times for eggs, sugar, cheese, flour, groats, vegetable oil, potatoes, bread, baked goods, confectionery, and noodles, and from 4.2 to 4.8 times for margarine, butter, milk, and dairy products. Food prices rose abruptly at the end of the year—an oblast average of 1.6 times in the last three months of the year, and a twofold increase in Yekaterinburg.

The average cost of the minimum group of 19 dietary staples in December for the oblast as a whole was 107,400 rubles a month per capita and was 72,000 rubles higher than it had been the year before, or triple last year's figure.

The prices of non-food items doubled on the average (a 5.3-fold increase in 1993). In 1994 there were dramatic increases of 16 times in the cost of fuel for the population and coal, 11 times for peat, and 8 times for firewood. The prices of medicine, bandages and dressings, matches, school notebooks, and printed matter displayed much higher increases (4-6 times) than the prices of other goods.

The rates of paid services for the population were several times as high as they had been for all types of services. The highest increases were in the cost of housing and public utilities (18 times), passenger transport fares (12 times), and communications (7 times). The prices of personal and medical services, the services of cultural and athletic establishments, health spas, and therapeutic institutions, and fees for child care tripled or quadrupled. The services of banking establishments displayed the lowest increase—1.3 times.

During the three years of the liberalization of prices (December 1991 to December 1994), the overall level of consumer prices for goods and services rose 595 times.

Private Income and Expenditures, Employment, and Standard of Living

The monetary income of the population in 1994 totaled 8.12 trillion rubles and was 3.7 times as great as it had been in 1993. The amount spent on goods and services was 4.951 trillion rubles (60.9 percent), which was 3.7 times as high as in 1993, the amount spent on the payment of taxes and fees was 771 billion rubles (9.5 percent), the amount deposited in savings accounts and invested in all types of securities and foreign currency totaled 1,322,900,000,000 rubles (16.3 percent). Deposits in banks by the population increased by 469.7 billion rubles and amounted to 608.8 billion on 1 January 1995. The average deposit in the Savings Bank was 62,445 rubles.

The amount of private disposable income was 1.074 trillion rubles and was 1.9 times as high as in 1993.

In 1994 there were 1.747 million people employed in branches of the oblast economy (excluding the personnel of small enterprises), which was 5.8 percent below the 1993 figure. The average monthly income per worker in 1994 was 248,900 rubles, including an average monthly wage of 217,700 rubles.

In the past year 120,400 jobless citizens applied to employment agencies for job placement services, and 64,900 of these, or 53.9 percent, were women. There were 59,500 registered unemployed individuals on 1 January 1995. Of these, 52,000 gained official unemployed status and eligibility for unemployment benefits. The proportional number of individuals who were unemployed for less than a month was 14.9 percent, and 39.5 percent were unemployed for 1-4 months, 24.6 percent were unemployed for 4-8 months, 14.9 percent were unemployed for 8-12 months, and 6.2 percent were unemployed for more than a year.

There were 9,940 job vacancies at enterprises on 1 January 1995, according to employment service data. In general, there are six jobless individuals registered with the employment service for each vacancy.

Wages were the main source of income for the families surveyed. They represented 79 percent of all family income in the first 11 months of the year (80 percent for urban families and 76 percent for rural families). According to survey data, the nominal monetary income of the population was 2.2 times as high in November 1994 as in January that year. There is still a colossal gap between the urban and rural standards of living, and income per family member in rural locations was only 44 percent of the figure for the urban families surveyed.

In November, 24 percent of the oblast population surveyed had crossed the "poverty threshold." Per capita income in these families is below or equal to the poverty line based on scientifically substantiated consumption levels of the main food products required for the maintenance of human life. In January 1994 around 17

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percent of the surveyed population was living below the poverty line (40,400 rubles). In urban areas the figure was around 18 percent in November of last year, and in rural areas it was over 66 percent.

The minimum subsistence level in November 1994 was 150,900 rubles (59,900 in January). In November of last year 41 percent of the surveyed oblast population had a monetary income below this level (35 percent in urban locations and 79 percent in rural locations).

Demographics and Morbidity

The anticipated population figures for the beginning of 1995 were 4,703,500 for the oblast, 4,108,600 for urban areas, and 594,900 for rural areas. According to preliminary estimates, the rate of natural population decrease rose by 5,800 during the year and amounted to 36,400. The progressive rise in the mortality rate is disturbing: It rose 11 percent in 1994 and was equivalent to 17 deaths per 1,000 inhabitants. The death rate is rising for all of the main causes of death (with the exception of death from respiratory disorders). The birth rate is still low, although it was 6 percent higher in 1994 than in 1993. The situation in marriage and family relations has not improved. The number of registered marriages was 3 percent lower last year than in the previous year, but the number of divorces was 7 percent higher. The number of refugees and displaced persons is still rising and reached 8,653 last year, with Russians representing 77 percent of the total.

Although the general rate of morbidity dropped in 1994, there was a rise in the rate of illnesses connected largely with social factors. There were 2,131 recorded cases of tuberculosis of the respiratory organs (18 percent more than in 1993), 1,230 cases of diphtheria (3.2 times as many as in 1993), 3,763 cases of syphilis (3 times as many), and 30,000 cases of scabies (62 percent more). The highest rates of illness in the group of infectious diseases were for bacterial dysentery—7,084 cases (13 percent more than in 1993), salmonella infections—5,699 cases (9 times as many), and viral hepatitis—6,232 cases (20 percent more). Public Education General educational schools: At the beginning of the 1994/95 academic year 685,000 students began attending classes in 1,642 schools, including 18,200 in 70 night (or late-shift) schools. There were 15 non-state general educational institutions with 1,349 students. Children in 246 general educational day schools took intensive courses in various subjects (there were 134 such schools in the last academic year). There are eight secondary schools with an emphasis on classical scholarship and nine liberal arts academies.

There were 60,600 students who completed the basic course of instruction (partial secondary education) and 30,000 who graduated from secondary school (complete secondary education) in 1994. After completing the basic course of instruction, 53.3 percent continued their education in the 10th grade. The practice of challenging courses by taking an examination is becoming more common: 52 students passed the secondary school examinations without attending classes and were awarded matriculation certificates. Secondary specialized academic institutions: There are 64,200 people taking classes in 89 secondary specialized academic institutions, including 43,500 in day divisions. Admissions for the new academic year were the same as last year's (21,500). Degrees in secondary specialized education were awarded to 17,700 graduating students. The system for the professional training of workers on contracts with enterprises, institutions, and organizations was employed widely. There were 6,224 of these students, including 2,369 who were reimbursed in full for their educational expenses. Grants are being paid to 37,524 students from the Scholarship Fund. Higher academic institutions: Around 76,500 students attended 15 higher academic institutions in Yekaterinburg and one in Nizhniy Tagil, including 50,300 in day divisions. In 1994 these institutions trained 12,938 specialists, including 98 with a bachelor's degree (68 with a partial higher education). Job assignments were awarded to 4,818 specialists trained in day divisions, or 54.2 percent of the total, including 1,701 graduates who had enrolled on contracts. In addition to the state institutions, there are five non-state higher academic institutions in the oblast with a combined student body of 1,864. The higher educational system has 7,059 faculty members, including 543 doctors of sciences and 3,522 candidates of sciences.

Economic Issues

Chernomyrdin Opposes Renationalizing Privatized Enterprises

LD3003082695 Moscow ITAR-TASS in English 0733 GMT 30 Mar 95

[By ITAR-TASS correspondent Andrey Serov]

[FBIS Transcribed Text] Moscow March 30 TASS—Russian Prime Minister Viktor Chernomyrdin said on Thursday that privatised enterprises would not be renationalised.

Speaking to a cabinet sitting summing up the results of the first stage of Russia's privatisation, the premier stressed that the way of renationalisation can end only in a deadlock. "If new owners cannot manage, we must look for someone else, but it is impossible to shift off all problems to the state", Chernomyrdin said.

The prime-minister admitted that during the first stage, some enterprises were privatised by those who "had not intended to invest in production in principle".

Chernomyrdin pointed out that the denationalisation of enterprises is expected to bring 9 trillion roubles to state coffers in 1995.

The Russian premier said that the government plans further reduction of the inflation rate in April. In March it is not to exceed 8.9-9 per cent, according to the government's estimates.

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"It is impossible not to ignore positive changes in our economy", Chernomyrdin said noting that "the first quarter of 1995 has convincingly demonstrated that we can live accoring to a rigid schedule, securing the pace economy's revival. We shall not retreat".

Government Approves Second Stage of Privatization

LD3003165695 Moscow INTERFAX in English 1522 GMT 30 Mar 95

[From the "Presidential Bulletin" feature: compiled by Nikolay Zherebtsov, Andrey Petrovskiy, and edited by Vladimir Shishlin]

[FBIS Transcribed Text] [No dateline as received]—Following a stormy four-hour debate the Russian government approved Thursday the draft, compiled by the State Property Management Committee, of the second privatization stage in 1995 which is expected to bring in nine trillion rubles as state revenue.

The core of the program is the sale of shares of the enterprises whose controlling interests are owned by the state.

As suggested by Prime Minister Viktor Chernomyrdin, the drafts of the appropriate presidential decrees and government ordinance will be updated by a government commission within two weeks. State Property Management Committee Chairman Sergey Belyayev is expected to be appointed to chair the commission.

He supported the proposals, made by the consortium of nine private banks which incorporates Eximbank, Moskovskiy and other commercial structures, that banks take part in transactions with the shares of the businesses privatized at the second stage.

Heads of numerous federal agencies, in particular, the Fuel and Energy Ministry, the Communication Ministry and the State Precious Metals and Precious Stones Committee criticized the draft which, they said, failed to encourage investment in or expansion of the businesses to be privatized and focused on speedy sales of shares for the short-term goal of increasing the 1995 national budget revenue.

Doubts were voiced about the potential to raise nine trillion rubles by sales of shares because for that amount to reach the budget revenue, 24 trillion rubles' worth of shares have to be sold.

Some speakers called for halting the privatization and more thorough planning of its second stage.

Yeltsin Edict Changes Credit Rules for Banks

LD2103174495 Moscow ITAR-TASS World Service in Russian 1335 GMT 21 Mar 95

[FBIS Translated Text] Moscow, 21 Mar—Today Russian President Boris Yeltsin issued an edict aimed at improving the credit-worthiness of enterprises and organizations and at eliminating the unjustified competition between banks for customers. This was reported by the press center of the president of the Russian Federation.

The report also says that by this edict Boris Yeltsin abolished Paragraph Two of the edict by the president of the Russian Federation of 23 May 1994, No. 1006, in accordance with which each enterprise, institution, and organization was allowed to have only one current and one budget account in banks or in other credit institutions to carry out transactions related to their main activity.

Moscow Banks Instructed To Adopt Electronic Accounting

MM2903135595 Moscow ROSSIYSKIYE VESTI in Russian 28 Mar 95 p 1

[Unattributed report under the rubric "In the Corridors of Power": "Banks. Central Bank Sounds Death Knell for Forged Advice Notes"]

[FBIS Translated Text] The Central Bank of Russia Main Administration for Moscow has ruled that from 1 April this year all Moscow banks must present a general financial account in magnetic form or using the Central Bank Main Administration's electronic mail system. The new system of submitting financial accounts has been introduced because of the need to introduce modern banking technologies, which will make it possible to speed up the processing of the ever increasing stream of banking information (even though the traditional method of submitting accounts—on paper—is being partly retained). An important result of this innovation should be the more effective control of banks, which will make it easier to revive the whole banking community and better protect the interests of commercial banks' clients and investors.

Nine Banks Offer Loans to Government If Secured by Stock

LD3003151895 Moscow ITAR-TASS in English 1505 GMT 30 Mar 95

[By ITAR-TASS correspondent Andrey Serov]

[FBIS Transcribed Text] Moscow March 30 TASS—Nine Russian banks offered a big loan to the Russian Government on the security of the stock of businesses under privatization. An official of the newly-created consortium who was present at Thursday's government session said biggest domestic banks were ready to invest "many trillions of roubles" in the productive sector of the Russian economy.

"We are interested in involving domestic capital in the investment process", Russian Prime Minister Viktor Chernomyrdin said. It was suggested at the session that bankers submit detailed projects in the soonest future.

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The new banking establishment includes Imperial, Menatep, and Stolichny banks.

Yasin: Improved Investment Necessary for Economic Recovery

LD2903143395 Moscow INTERFAX in English 1243 GMT 29 Mar 95

[FBIS Transcribed Text] MOSCOW, Mar 29 (Interfax)—Any economic recovery is impossible without an improvement in the country's investment climate, Russian Economy Minister Yevgeniy Yasin told a conference on investment incentives Wednesday.

He spoke of a rapid shrinkage of capital investment in the Russian economy in recent years with last year's amount of investment falling by 26 percent.

The bulk of investment was in the non-productive sector (48 percent of it was spent on housing construction).

Yasin said the government's main priority now was to help towards a shift to "a new investment regime."

He said this included financial stabilization, government support for private investment and lower investment risks caused by crime, corruption and bureaucracy.

The minister said the main emphasis must be made on luring private investment in medium and small-sized businesses taking up to two years to pay back. He said the government would be able to spend only 12.7 trillion rubles out of the 220-trillion-ruble investment planned for this year with the remainder to be raised by the enterprises themselves.

Foreign Network for Investment Promotion To Be Created

MK3103070095 Moscow NEZAVISIMAYA GAZETA in Russian 31 Mar 95 p 1

[POSTFACTUM report in the "In Brief" column: "The Image Needs To Be Improved"]

[FBIS Translated Text] Russian Federation Economy Minister Yevgeniy Yasin is to head the governmental commission on "improving Russia's image" in the world capital market, Sergey Tsakunov, an aide to the minister, said yesterday. According to Mr. Tsakunov, the government has acknowledged the need to create a widespread network of investment bureaus abroad, where Western businessmen could obtain "precise and comprehensive information" on all problems related to capital investment in Russia.

Report Predicts Slowdown in Foreign Investment Flow

MK3003095095 Moscow KOMMERSANT-DAILY in Russian 30 Mar 95 p 3

[Report by Dmitriy Gubskiy under the "Investment in Russian Economy" rubric: "Authorities Admit Russia's Uncompetitiveness"]

[FBIS Translated Text] Russia is unprepared in principle to compete for international investment, is the conclusion contained in a report entitled "The International Capital Market and the Policy of Attracting Foreign Investment in Russia," which was drawn up by the Economy Ministry and the presidential Analytical Center.

The analytical report was distributed at the two-day conference "Incentives for Business and Investment Activity," which began yesterday. Against the backdrop of mostly trite statements by participants in the conference, the report appears fairly remarkable—at least because it marks the first attempt by the authorities to conduct a comprehensive analysis of the problem of attracting foreign investment in the national economy. How successful the attempt was KOMMERSANT-DAILY will report 1 April, but today it will limit itself to describing its forecast for the capital market till the year 2000. The possibilities of attracting investment in Russia will largely depend on the state of this market.

According to ministry and analytical center experts, the flow of international investment will be increasing, albeit at a slower pace than in 1987-1992 (15 percent a year). In 1992, the total amount of direct foreign investment worldwide was $2 trillion. In support of their conclusion the authors of the report cite the following arguments. First, an economic recovery that began in industrially developed countries last year will cause a softening of their monetary policies, which will boost both domestic and overseas investment. Second, the process of regional integration will continue, which is a traditional prerequisite for an increasing volume of foreign investment, the authors think. In addition, world investment flows will be affected by the strategy of multinational corporations aimed at boosting integrated international production. In the meantime, regions with vast markets and a developed infrastructure and technological base will be particularly sought after, unlike markets with cheap raw materials and labor force. The last argument of the government experts is the economic policy of countries that compete with Russia in attracting foreign capital. This policy is poised to include general economic liberalization, the conversion of foreign debt into property, and privatization as the most attractive area for foreign investment.

Balkar Trading To Sell Oil in Exchange for $2 Billion Loan

MK2903100095 Moscow SEGODNYA in Russian 29 Mar 95 p 2

[Unattributed report under the "Privilege" rubric: "Finance Ministry Approves Large Oil Contract on 'Certain Conditions.' 'Balkar Trading' To Sell 25 Million Tonnes of Oil to Mobil Oil in Exchange for an Untied Loan of $2 Billion"]

[FBIS Translated Text] The Russian Federation Finance Ministry thinks it possible—"with certain conditions

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attached"—to give the go-ahead to a transaction between Balkar Trading, the Russian-British oil-exporting joint venture, and the British [as published] oil company Mobil Oil on the sale of 25 million tonnes of Russian oil on the world market over five years in exchange for giving Russia an untied loan of up to $2 billion. A source close to government circles has told the OIL INFORMATION NEWS AGENCY [ANI] that Finance Ministry experts have come to this conclusion after analyzing terms and conditions of the transaction at the Russian Government's request.

The deal, whose participants include Balkar Trading, Mobil Oil, Indosuez Bank, and the Russian Fuel and Energy Ministry, calls for a trust company to be set up to issue securities against annual oil supplies of 5 [million] tonnes over five years to be guaranteed by the Russian Government. Under the terms of the transaction, the trust company will give the Finance Ministry via Balkar Trading money to be generated by the flotation of securities (from $1 billion to $2 billion) as an untied loan at an annual interest rate of 12 percent. The buyer of the oil will be Mobil Oil; the seller, Balkar Trading. At the same time, the Russian company undertakes to pay all related oil export expenses, except for the payment of value-added tax [VAT].

By Finance Ministry estimates, the overall sum of unpaid taxes over five years may amount to about $350 million. At the same time, Russian profits from Balkar Trading's payment of export duties alone would reach about $500 million over the same period. In the Finance Ministry's view, the transaction, which will generate extra revenue of about $350 million for the ministry (after expenses in the form of unpaid VAT), "is efficient enough," but it may be concluded "only with certain conditions attached."

In particular, the issue is that the government is not going to bear financial responsibility for the securities to be issued by the trust company, while the Fuel and Energy Ministry and oil producing enterprises will guarantee that the requisite amount of export oil will be pumped through the pipeline "with the government's assistance," ANI has learned.

Representatives of Russia's leading oil companies had extremely negative views on the transaction in interviews for ANI.

Government Backs Move on Exchanging Lukoil Bonds for Shares

MM2903154395 Moscow ROSSIYSKIYE VESTI in Russian 29 Mar 95 p 1

[Unattributed report under the "In the Corridors of Power: Decisions" rubric: "Lukoil Bonds Can Be Exchanged for Shares"]

[FBIS Translated Text] With a view to implementing the state policy of attracting Russian and foreign investments into the economy and ensuring conditions for the retooling of enterprises of the "Neftyanaya Kompaniya Lukoil" Joint-Stock Company, the Russian Government has supported a proposal by the Ministry of Finance and the State Committee for the Management of State Property to issue bonds of this company on the surety of shares in Lukoil constituting 11 percent of its incorporation capital, which have been temporarily placed in federal ownership. On the conclusion of their period in federal ownership, the shares can be exchanged for bonds. The deadline for converting the bonds is not before 5 April 1995.

Fuel Ministry Opposes Proposed Higher Oil Excise Duty

MK3003114095 Moscow SEGODNYA in Russian 30 Mar 95 p 1

[Unattributed report: "Fuel and Energy Ministry Against Higher Oil Excise Duties"]

[FBIS Translated Text] The Russian Federation Ministry of Fuel and Energy opposes the raising of excise duties owing to the impending lowering of the raw material export duty. This was announced by a high-ranking ministry spokesman. He recalled that a draft of the corresponding government decree is being coordinated in the Economy and Finance Ministries and will be signed by the Russian Federation premier within the next few days. The interlocutor noted that most of the Fuel and Energy Ministry proposals were not backed by the above ministries. At the same time, he described as "absurd" the making of the domestic oil excise duty directly dependent on the size of the export duty.

State Property Committee To Ease Sale of Oil Shares

MK3003133095 Moscow SEGODNYA in Russian 30 Mar 95 p 1

[OIL INFORMATION AGENCY report: "State Property Committee Will Make Selling Oil Companies' Shares Easier"]

[FBIS Translated Text] The Russian Federation Committee for the Administration of State Property intends, in the very near future, to take steps making it easier for Russian oil companies to sell their shares set aside for the state to investors in this country and abroad. The committee intends to draw up model sale schedules by 1 April. This was announced by Sergey Belyayev, chairman of the committee. In his words, companies are supposed to be granted the right to sell up to 11 percent of shares in addition to 15 percent that may be sold to foreign investors under the president's edict.

Gazprom Accord With Ukraine Seen as Form of State Support

MK3003115095 Moscow SEGODNYA in Russian 30 Mar 95 p 1

[Report by Aleksandr Bekker: "A Hangover Amid General Revelry"]

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[FBIS Translated Text] Oleg Soskovets' visit to Kiev, billed as a triumph, has ended in a scandal. The State Duma stigmatized the first vice premier with the nickname "Ukrainian nationalist" for his position of noninterference in the Crimean issue. The deputies treated the government member to a deluge of accusations for the agreement he signed on rescheduling Ukraine's debt to Russia until the year 2001. More restrained but unequivocal has been the reaction by the Fuel and Energy Ministry, which opposed the treaty between the Ukraine Government and the Gazprom joint-stock company on redeeming outstanding gas bills. Although the agreement was signed by the Gazprom leadership itself, this was overlooked, and the entire blame was again pinned on Oleg Nikolayevich [Soskovets]. He was attributed some "political motives" because the agreement violated the February accords and appeared non- beneficial for Russia: Originally, it was provided that Ukraine would pay part of its debt—$1.8 billion—in hard currency, but under the new document, as the Fuel and Energy Ministry believes, the country will never see any hard currency. The ministry apparently has good reason for saying so. "Political motives," too, must have been there, all right. Even so, they lie on a such a plane that Soskovets obviously has nothing to do with them.

In January Gazprom Chairman Rem Vyakhirev wrote a private letter to Viktor Chernomyrdin. In it, he highlighted Gazprom's financial plight, with customers' debt as of the beginning of this year reaching 16 trillion rubles. According to him, "the use of the gas industry as a 'donor' is highly dangerous to the Russian economy because, on one hand, it undermines the reliability of natural gas supplies and hard currency revenues to Russia; and, on the other, helps unleash the inflation spiral, which will further aggravate the nonpayments crisis." In order to avert this and also not to administer a "coup de grace" to Gazprom, Vyakhirev asked the premier not to raise the excise tax on gas from 15 percent to 25 percent. At that moment, however, the overriding concern was the budget, and all conceivable and inconceivable revenue sources were being looked for to draw it up. And the head of the cabinet failed to help his own enterprise: The excise tax was after all raised, under a government decree.

A more delicate scheme for rendering financial support to Gazprom was needed. It came in the shape of the agreement between Gazprom and Ukraine. The Ukraine Finance Ministry undertook to issue, by 1 September 1995, $1.4 billion worth of securities and transfer them in payment toward its debt to Gazprom. Paper—even from Ukraine and even "security"—cannot be used to pay wages or raise pressure in a bore hole. But there is a way out: Under one provision in the agreement, Gazprom was granted the right to sell Ukraine bonds on the secondary debentures market. And then nothing will prevent the Finance Ministry from buying them up. If only under the pretext of Gazprom's redeeming its 1.5-trillion-ruble debt to the federal budget.

Even if Ukraine's debt is recovered, this at best will be in 12 tranches, in the 1997-2000 period. A very peculiar scheme indeed, to be sure. Its authorship apparently belongs to First Deputy Finance Minister Andrey Vavilov, who by coincidence is also a member of the Gazprom board of directors. As for Oleg Soskovets, he, it seems, simply turned out to be a scapegoat in this intricate plan: He wanted to consolidate Russian-Ukraine relations, but ended up with a hangover amid general revelry.

To be sure, there is nothing criminal about state support for enterprises. Gazprom, as the country's main hard currency earner, is certainly worthy of it. After all, the state regulates the prices for the "blue fuel" and cuts investments. And there is nobody but Gazprom to take care of the Urengoyskoye, Medvezhye, Vyngapurskoye, or Orenburgskoye deposits—the former jewels which, unfortunately, are now past their former glory. Budgetary insurance of the budget's insurer is quite warranted. The French Government, for instance, last year supported an obviously unprofitable airline, Air France ($4 billion), and the computer group Bull ($2.2). Now it has rushed to salvage Credit Lyonnaise. And the French authorities are doing this openly, without resorting to tricky maneuvers.

Obviously, the Russian Government, just like any transition government, is too heterogeneous in its economic persuasions and too torn apart by diverging interests to conduct its policy publicly, without hiding it from each other or from society.

Finance Ministry's Artyukhov Cited on Debts to Miners

MK3103100095 Moscow SEGODNYA in Russian 31 Mar 95 p 2

[Report by Dmitriy Volkov under the "Subsidies" rubric: "Cabinet of Ministers Settles Up With Miners. Finance Ministry Unhappy With State of Accounting in the Sector"]

[FBIS Translated Text] Viktor Artyukhov, recently appointed Russian first deputy finance minister, announced yesterday that the government is experiencing difficulties in contacts with the administration of the coal sector's enterprises. Mr. Artyukhov stated that the unclear status of many coal-mining enterprises which have not completed public corporatization makes impossible the establishment of control over the efficiency of their management. In his words, the directors "cannot be scared today. They are more experienced in how to bypass the law."

The first deputy minister said that in some cases debts to various pits are triple their monthly turnover with "one and the same enterprises" being among the debtors for a long time. The government is also worried about the fact that coal exporters do not send to Russia all of their hard currency earnings.

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Mr. Artyukhov complained that given the current unclear status of many enterprises, the corresponding federal departments are unable to get the necessary information about their activities. In his words, the administrations of enterprises often refuse to release balance sheets on the plea of "commercial secrets." At the same time, having no corresponding agreements with the government on mutual obligations, these companies continue to lay claims for "billions in state support."

The Finance Ministry, however, acted on the government-approved financial support lines to the miners in the first quarter of the current year by transferring to them all of the slated 1.3 trillion rubles [R] as early as mid-March. Mr. Artyukhov promised that this year the government will be able to fulfill its obligations to the miners and set aside for them R7.5 trillion in budget subsidies.

The first deputy minister also stated that the ministry is going to press for the conclusion of bilateral agreements which should contain, among other things, obligations of the administrations of enterprises. Mr. Artyukhov hinted that the government is also displeased with enterprises of the agro-industrial complex for which R13 trillion in state support has been set aside. In his words, the stance of collective and state farm directors is often summed up in the phrase: "Let me have the money, but don't check up on me."

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International Affairs

Moroz, Parliamentary Delegation Return From South Korea

LD3103093495 Moscow ITAR-TASS in English 0911 GMT 31 Mar 95

[By UKRINFORM correspondent Ivan Sayko for TASS]

[FBIS Transcribed Text] Kiev March 31 TASS—A Ukrainian parliamentary delegation, led by parliament Speaker Oleksandr Moroz returned here on Friday [31 March] after visiting the Republic of Korea.

During the visit, Moroz had meetings with President Kim Yong-sam and other members of the South Korean leadership. A protocol on cooperation between the Ukrainian and South Korean Foreign Ministries and a trade agreement on cooperation between the governments of the two countries were initialed.

Moroz attended a ceremony to open the Seoul office of Ukraine's Chamber of Commerce and Industry and met directors of a number of leading corporations of South Korea.

Perry Arrives for Talks With Kuchma

LD3103100195 Moscow ITAR-TASS World Service in Russian 0830 GMT 31 Mar 95

[By ITAR-TASS correspondents Viktor Demidenko and Mikhail Melnik]

[FBIS Translated Text] Kiev, 31 Mar—U.S. Defense Secretary William Perry arrived in Kiev on a two-day official visit today. He is accompanied by Ruth Harkin, President of the Overseas Private Investment Corporation, Barry Carter, deputy under-secretary at the Department of Commerce, high-ranking officials of the Defense Department,and heads of a number of large U.S. firms.

The U.S. Defense Secretary today meets with President Leonid Kuchma, Deputy Prime Minister and Defense Minister Valeriy Shmarov, Foreign Minister Hennadiy Udovenko, and Volodymyr Mukhin, chairman of the parliamentary Commission for Defense and State Security.

The ITAR-TASS correspondent has learned that the talks will cover issues of bilateral regional security and the rational use of the funds allocated under the Nunn-Lugar program for destruction of the former Soviet nuclear missile arsenal, and also problems concerned with the conversion of Ukraine's defense industry. In addition to this, there will be discussion about how well prepared the sides are for the joint military exercises to take place in the Carpathian Military District in April-May.

On 1 April, William Perry will visit the missile base near Pervomayskoye, in Nikolayev oblast in the south of Ukraine, where he will see the practical side of the U.S. aid intended to help destroy SS-19 missiles safely, and will take part in the foundation-laying ceremony for construction of a housing estate for servicemen discharged to the reserve.

Dumping-Price Export of Magnesium to U.S. Limited

WS3103093695 Lvov INFOBANK in English 0700 GMT 31 Mar 95

[From the "News Service" feature]

[FBIS Transcribed Text] The U.S. Department of Trade has accused Ukraine, Russia, and China of selling magnesium on the American market at dumping prices. This information was provided by the U.S. Government agency USIA. The Department of Trade has deemed the economies of these countries as nonmarket and has determined the rate of the antidumping customs tax on purified magnesium. This tax will be from 79.87 percent to 104.27 percent for Ukraine; up to 100.25 percent for Russia; and 108.26 percent for China. The tax will be imposed after the U.S. Commission for International Trade decides whether imports of magnesium from these countries cause losses to the American economy or threatens it with losses. This decision will be made by May 8.

Ukrainian Acting Minister of Industry Serhiy Hryshchenko has said that at the beginning of this year Ukraine began negotiations with the U.S. Department of Trade regarding the export of magnesium to the U.S. He believes that the negotiations will achieve the signing of an agreement similar to that signed last year regarding the export of ferrous manganese from Ukraine. The Ukrainian Government will voluntarily limit the volume of magnesium supplies to the U.S. and determine the minimum price for Ukrainian trading of exported magnesium. In its turn, the American Government will not begin antidumping proceedings against Ukraine. The USIA reported that in 1994 the export of purified magnesium from Ukraine was worth $3 million.

Foreign Ministry Orders Russian Consulate Out of Crimea

LD3003174595 Moscow ITAR-TASS in English 1721 GMT 30 Mar 95

[By ITAR-TASS correspondent Lev Ryabchikov]

[FBIS Transcribed Text] Simferopol March 30 TASS—The Russian four-man strong consulate in the Crimea is going to leave for Moscow after the Ukrainian Foreign Ministry ordered that the diplomats "immediately leave the territory of the Crimean Republic", head of the consulate Aleksey Molochkov told TASS on Thursday.

He said a note of the ministry accused the consulate of "violating the Vienna Convention on Consular Relations, as well as the Ukrainian Law on Citizenship and the Constitution of the country".

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"No concrete examples were provided", Molochkov said. According to him, the consulate was warned that "if it remains in Simferopol, it will be expelled from Ukraine".

The consulate was considering applications for the Russian citizenship from residents of mostly Russian-populated Crimea. However, Ukrainian laws do not allow dual citizenship and the problem is the stumbling block in Kiev-Moscow relations, as is the Crimea itself which used to be Russian territory before former Soviet leader Nikita Khrushchev transferred it to Ukraine in 1954.

According to a Russian Foreign Ministry spokesman, the decision to close the consulate may hamper relations between the two countries. Nikita Matkovskiy said Thursday in Moscow that "certain political circles" in Ukraine advanced absurd accusations against the consulate saying it was "recruiting" Crimeans for Russia.

The spokesman said Russia had proposed to hold talks on the problem and expected Ukraine to refrain from expelling the consulate.

Ambassador to Poland on Relations, Reform

WS3103090095 Lvov VYSOKYY ZAMOK in Ukrainian 23 Mar 95 pp 1-2

[Interview with Ukrainian Ambassador to Poland Petro Sardachuk by Nataliya Balyuk; place and date not given: "Diplomacy Without a Cloud of Mystery"—first two paragraphs are VYSOKYY ZAMOK introduction]

[FBIS Translated Excerpt] Petro Sardachuk, ambassador extraordinary and plenipotentiary of Ukraine to Poland, was born in the Volyn region, as he puts it, before World War II. He graduated from Lvov State University with a degree in history. Petro Sardachuk worked for some time as principal of one of the high schools in Lvov Oblast, and later, as an instructor at the Lvov Trade and Economics Institute. He was also engaged in party activities. Afterward, Petro Sardachuk graduated from the Diplomatic Academy in Moscow and began his career as a diplomat. At first, he worked in the European Department of the former Soviet Foreign Ministry, and after that, as the consul general in Krakow for four years.

In 1991, Petro Sardachuk was appointed head of the Consular Department at the Ukrainian Foreign Ministry. He was Ukrainian ambassador to Slovakia for more than a year, and has recently started a new assignment as Ukrainian ambassador to Poland. Petro Sardachuk is married with two daughters and three grandchildren.

[Balyuk] Diplomatic work is always shrouded in a cloud of mystery. What is the task of the Ukrainian Embassy in Poland? With what are our diplomats busying themselves?

[Sardachuk] The Ukrainian Embassy in Poland has to handle all issues concerning economic, trade, cultural, humanitarian, educational, military, and other kinds of cooperation between our countries. The Ukrainian Embassy is staffed with 12 diplomats specializing in specific areas.

The rockbed of the activities conducted by our embassy is laying the legal groundwork for relations between Ukraine and Poland. For two countries to cohabit normally, hundreds of various agreements must be signed to specify and regulate activities in different spheres. As is known, Ukraine and Poland signed a cooperation and friendship agreement in 1992. Together with our Polish colleagues, we will soon celebrate the third anniversary of its signature. The process of expanding and detailing the above-mentioned legal groundwork is continuing. We are currently working on documents concerning cooperation in the sphere of culture, education, health care, customs, border crossings, conversion, etc.

One of the elements of the embassy's activities is organization and logistical support for official visits. Take last year, for example. Complicated as it was for Ukraine (the legislative elections, presidential elections, the creation of teams), our prime ministers managed to meet at the border in Lutsk, along with 12 ministers from both sides. The result of this meeting can be well illustrated by specific figures: trade turnover between Ukraine and Poland amounted to nearly $700 million in 1994, compared with $200 million in 1993.

Unfortunately, our Polish counterparts complain about the poor economic experience of Ukrainian entrepreneurs. Many of our people are simply economically illiterate. By the way, the Poles are ready to provide training on a permanent basis. Actually, they are already doing so. Various foundations have been set up for this purpose. In Krakow, for example, there is a foundation that regularly invites our young [legislative] deputies to attend lectures on the problems of statehood, foreign politics, and other topics. Journalists, primarily those from independent publications, are permanently trained in Warsaw. We are seeking different possibilities to engage our people into such projects.

Also, the Ukrainian and Polish presidents met during the Budapest summit last year. This year, Leonid Kuchma attended the 50th anniversary celebration devoted to the liberation of Oscwiecim [Auschwitz] concentration camp prisoners, during which he also met with Lech Walesa.

[Balyuk] What of Poland's experience in reforming its economy do you think can be used by Ukraine?

[Sardachuk] Last year, Poland's GDP increased by nearly 5 percent and industrial production by 11 percent. The country has practically completed the process of small privatization. Some 60 to 70 percent of Polish industry is represented by the private sector. Its agricultural sector is in private hands, while collective farms are being privatized. We are closely watching the result of the Balcerowicz [former deputy prime minister and author of market reform] reform, studying, for example,

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how the tax system operates in Poland. We are putting together analytical reviews and sending to Ukraine documents approved by Polish authorities. Poland is beating us in virtually all areas, even though our countries are very similar—we are currently experiencing hardships which they have already overcome. So, we have to draw certain conclusions and learn.

Poland is now entering the stage of overproduction, which forces manufacturers to look for other markets—primarily in the East. Their exports to the West are significant, though. In Ukraine, however, this process is hampered by the absence of a proper system for settling mutual payments. Yet, certain moves have already been made. A possibility has now appeared to settle payments in national currencies. In other words, if we buy something in Poland, we could pay for it in Ukrainian karbovantsi based on the current exchange rate. Entrepreneurs from our countries could open accounts in banks situated in the country of one's partner—Ukraine or Poland.

Western economists estimate that about $6-8 billion have been invested in the Polish economy over the last four years. I have recently visited one of Poland's northern voivodships, which has a population of 500,000. I was surprised to learn that this voivodship has received as much as $260 million in various investments over the past several years. Foreign capital at enterprises accounts for 50 percent or more, but they are not afraid of this.

[Balyuk] As is known, the recent legislative elections were won by the left-wing forces. Some in Polish society seemed to fear that the reform initiated by Balcerowicz would slow down or stop altogether. What is happening in reality?

[Sardachuk] You cannot reject such fears completely. But whoever gets the upper hand, Poland will not diverge from its path. Recently, I spoke with the Polish deputy prime minister, who said that despite the tough political fight being waged in the country, it will not affect economic development. On the other hand, life in Poland is not all that easy. The national average salary of $200- 250 may appear huge to us, but it is not big money in Poland.

The Polish defense industry is currently experiencing a crisis: It receives no orders from the national Army, while entering Western markets is a difficult task. People are left without work. Of 180,000 Poles that used to be employed in the defense industry, only 70,000 have kept their jobs, but even they do not always have work. Implementing a conversion plan is more difficult than manufacturing something. The Western investments poured primarily into the industries ensuring immediate profits, such as food processing and others. As we see it, the Poles, too, have their problems.

[Balyuk] During the recent visit by Russian Prime Minister Chernomyrdin, an agreement was signed on the construction of a gas pipeline running from Russia to the West across Poland and Belarus, but bypassing Ukraine. How will this effect Ukrainian economic interests? Do you not consider this fact as a miscalculation on the part of Ukrainian diplomats?

[Sardachuk] Each country cares about its own interests in the first place. The agreement between Russia and Poland has been in the works since 1992. The Poles were conducting alternative negotiations with Norway and Great Britain on the possibility of gas deliveries from those countries. Polish patriotic forces stated that pressured by Russia, those countries refrained from further negotiating. In one word, those who have their own energy resources set their own rules of the game. Over two years of negotiations, they talked Poles into accepting this project, even though the Polish opposition parties sharply criticized it.

We realize that it is not the best outcome for Ukraine. Russia promised to provide Poland with the necessary amount of gas. Besides, the gas pipelines running across Ukraine will not be shut down or blocked, because they carry gas to Slovakia, the Czech Republic, Hungary, and other countries in southern Europe.

We should hasten efforts to eliminate our dependency on Russia and seek alternative oil and gas sources. An oil terminal should have been built in Odessa long ago, but unfortunately, work there has been very delayed. [passage omitted]

National Affairs

Government Declares Crimean Premier's Resignation Invalid

LD3003125595 Moscow ITAR-TASS World Service in Russian 1218 GMT 30 Mar 95

[By ITAR-TASS correspondents Viktor Demidenko and Mikhail Melnik]

[FBIS Translated Text] Kiev, 30 Mar—Today, the Ukrainian Government declared the resignations of the Crimean prime minister and deputy prime minister illegal and acknowledged that the Crimean Government led by Anatoliy Franchuk should continue its work. This decision was made at a sitting of the Ukrainian Cabinet of Ministers, which leaders of the autonomous region attended. The meeting also discussed the socio-economic situation in Crimea.

The draft resolution which was prepared suggests directly subordinating the Crimean Government to the Ukrainian president so that the vertical distribution of executive power is preserved. It is planned to adopt this document within the next two or three days.

Provision will be made in the resolution to finance the autonomous area from Ukraine's budget. The funds will be allocated primarily to the construction of water and

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gas pipelines on the peninsula. The Ukrainian Government also decided to set out by 1 May which is Crimean and which is state property.

Cabinet Calls For Crimea To Be Resubordinated to Kiev

LD3003160295 Kiev UNIAN in Ukrainian 1420 GMT 30 Mar 95

[FBIS Translated Text] Kiev—Ukraine's Cabinet of Ministers at its meeting on 30 March called on the Supreme Council of Ukraine to resubordinate the Crimean Government to that of Ukraine until a constitution has been passed in Crimea. In this way a single vertical structure of executive power in Ukraine will be legislatively established.

Vladyslav Datsyuk, Ukraine's prosecutor general, and Justice Minister Vasyl Onopenko have confirmed that the dismissal of Anatoliy Franchuk, when he was ill, from the post of Crimean prime minister can be described as unlawful, since it is in breach of Ukrainian legislation.

Yevhen Marchuk, acting Ukrainian prime minister, called Crimea "Ukraine's sick child whom we have to cure together." He demanded stricter responsibility of both the autonomy and other Ukrainian regions before the central authorities, particularly with regard to delayed contributions to the state budget. He added, however: "No one is trying to intimidate anyone."

Marchuk also criticized the recent visit to Ukraine by Konstantin Zatulin, the chairman of the Russian Federation's State Duma committee for CIS affairs and ties with compatriots, who toured Crimea as a private individual, campaigning against the Government of Ukraine among the peninsula's population.

Suggestions and proposals by the Ukrainian Government were reflected in a draft resolution entitled "On the State of Socio-Economic Development in the Crimean Autonomous Republic," to be under discussion for a further two days.

Crimean Local Councils Back Kuchma Crimea Stance

LD3003170795 Moscow ITAR-TASS in English 1551 GMT 30 Mar 95

[By ITAR-TASS correspondents Viktor Demidenko and Mikhail Melnik]

[FBIS Transcribed Text] Kiev March 30 TASS—Ukrainian President Leonid Kuchma promised to "take all measures to have the Ukrainian Constitution observed in the Crimea".

Speaking to delegations of the Crimean parliament, government and local soviets (councils), Kuchma said: "I warn that I will probably dissolve the Crimean parliament if it violates it (the Constitution)."

Delegates of the Crimean local councils voiced support to Kuchma's stance, saying that the Crimean parliament's moves had caused destabilisation on the peninsula.

The councils' representatives said they backed Kiev's decision to abolish presidency in the Crimea and asked Kuchma to make the Crimean Government directly accountable to himself in order to preserve the executive as a distinct vertical structure.

The Ukrainian president promised to council leaders that Ukraine would allocate 20 trillion karbovanets to Crimea to handle its economic problems.

Kuchma: Confrontation Must Be Prevented

LD3003174495 Kiev UT-1 Television Network in Ukrainian 1600 GMT 30 Mar 95

[FBIS Translated Text] In Kiev today Ukrainian President Leonid Kuchma met heads of the Crimean autonomous republic's local authorities and industry. Our special correspondents have the details:

[Unidentified correspondent] The delegation, in the capital of our state at the invitation of Leonid Kuchma, was led by Serhiy Tsekov, Supreme Council of Crimea chairman and the Crimean Government's Deputy Prime Minister Arkadiy Demidenko.

At the beginning of the meeting President Kuchma said in particular:

[Begin Kuchma recording, in Russian] Our meeting should have been held at least a few months ago, so I am also partly responsible for the present situation in Crimea. This is because I realize that if we had made an effort to meet, we would not have been discussing this problem today.

Life is life, however. There has been little insistence from you and I have not taken any serious initiative either.

It always is a good lesson, although these lessons are very expensive, as indeed, we can see today. [end recording]

[Correspondent] Kuchma told the meeting he fully understood what was going on in the Crimean peninsula at present and where the search for the sources of the conflict between Simferopol and Kiev should be made. The president thanked the delegation for their sincere wish to do their best to stabilize the situation in Crimea, rather than aggravating the conflict.

The president underlined, however, that he would base his further actions toward Crimea on the decision taken today by Ukraine's Cabinet of Ministers. We must do everything in our power to prevent confrontation between Simferopol and Kiev going further, Kuchma said. Most importantly, there should be lawful actions and the desire to understand each other.

Kuchma Threatens To Dissolve Crimean Parliament

LD3003200695 Kiev Radio Ukraine World Service in Ukrainian 1900 GMT 30 Mar 95

[FBIS Translated Excerpt] Nobody will either gain anything from confrontation in Crimea or win, Ukrainian

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President Leonid Kuchma told a meeting with Crimea's parliamentary delegation, government officials, and heads of local councils.

Leonid Kuchma said: If the Supreme Council of Crimea presses ahead with actions aggravating the situation, the president will react adequately, which may even include the dissolution of Crimea's parliament. He said that activities by the Republic of Crimea Supreme Council are often in breach of Ukrainian legislation.

Leonid Kuchma said he will make sure Crimea conforms to the Ukrainian Constitution.

Heads of Crimea's local councils in their speeches at the meeting pledged their support for today's ruling by Ukraine's Cabinet of Ministers that the dismissal of the Crimean Government's prime minister and his deputy was unlawful. They further backed a clear division between branches of power and proposed, exceptionally, the introduction on the peninsula of the Law on Power, so as in practice to ascertain its effectiveness. [passage omitted]

Marchuk Addresses Cabinet Session on Crimea

LD3003213595 Kiev Radio Ukraine World Service in Ukrainian 1610 GMT 30 Mar 95

[FBIS Translated Excerpt] [Announcer] Under a Ukrainian president's instruction, an expanded session of the Cabinet of Ministers took place in Kiev today, under the chairmanship of Acting Prime Minister Yevhen Marchuk. It considered the socioeconomic situation in the Autonomous Republic of Crimea. Here is our correspondent Yevhen Hryshankov with his report.

[Hryshankov] Members of the Ukrainian Government, people's deputies of Ukraine, as well as leaders of the Crimean Government, the Supreme Council of Crimea, managers of industrial enterprises of the peninsula, and heads of city and rayon councils of people's deputies, who were invited to attend the session, discussed the first and the main issue on the agenda. The conversation was held in an acute, although constructive and businesslike manner.

The analysis of the situation in the economy and social spheres, made at the session, showed that the economy and social sphere in the region, like anywhere else in Ukraine, is seriously ailing. The decline in the volume of industrial production is continuing. Over the past year alone more than 200 enterprises, or almost 76 percent of their overall number, decreased the volume of their industrial output.

The state of affairs in the agroindustrial complex, capital construction, and transport is aggravating. The financial situation of enterprises and establishments is becoming ever more aggravated too, their mutual indebtedness is growing.

Analyzing the reasons behind this situation, the participants in the session repeatedly emphasized that the situation was aggravated by last year's draught, cholera epidemic, difficult crime situation and, most importantly, by the government crisis. Over the past 18 months alone, the Crimean top executive authority has been reshuffled four times. Arkadiy Demydenko, acting prime minister of the government of the Autonomous Republic of Crimea, leaders of city and rayon power structures pointed out, in particular, that the property, especially that of the health resort industry, had not yet been divided between Ukraine and Crimea in a civilized manner. The land reform was carried out in a very unsatisfactory manner. The ecological situation evokes anxiety. Almost every representative of the Crimean delegation, who spoke at the session, called on the Ukrainian Government to render assistance.

A draft resolution by the Cabinet of Ministers on this issue contains a whole number of acute problems to be solved with the substantial aid that the government of Ukraine hopes to extend to Crimea.

Yevhen Marchuk began his concluding speech by saying that it was necessary to make two essential additions to the draft resolution.

[Begin Marchuk recording] In support of the appeal made by the leadership of the government of the Republic of Crimea and chairmen of city and rayon councils of the Autonomous Republic of Crimea on the necessity of preserving the controllability of the economy and the social sphere, the setting up and functioning of a single system of the bodies of state executive power with vertical subordination on the entire territory of the state, the Cabinet of Ministers of Ukraine deems it necessary to appeal to the president of Ukraine to determine urgently, before a constitution of the Autonomous Republic of Crimea is adopted and approved, a procedure for forming the government of the Autonomous Republic of Crimea, the extent of its plenary powers, and its relations with the bodies of the state executive power of Ukraine;

—to appeal to the Supreme Council of Ukraine with a legislative initiative to abrogate the law of the Republic of Crimea on the government of Crimea, by which the government of the Autonomous Republic of Crimea has been actually withdrawn from the single system of state executive power of Ukraine and vested with the powers that are within the competence of the state bodies of Ukraine, which contradicts the Constitution and the laws of Ukraine.

This is to be added as a separate item to the resolution of the Cabinet of Ministers. It is clear that it and the resolution itself should be worked up, taking into account the proposals made verbally and submitted [in a written form], including this proposal.

True, today's discussion of such a serious and complicated issue as the socioeconomic situation in Crimea seems to be somewhat delayed. At this point we, I mean the government of Ukraine, should be self-critical. Critical remarks to the effect that the government of Ukraine

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should also pay more attention to the socioeconomic situation in Crimea were just. A single, if we may call it so, state program dealing with the socioeconomic situation in Crimea should be worked out. I do not think this will look as some heightened attention, as compared to other regions, because the situation in Crimea is unique, after all.

I would like to emphasize and appeal in this case not only to the government of Crimea, but to the Supreme Council with a request to find words and reasons that are required, in your opinion, and explain it both to people's deputies of Crimea, deputies to the Supreme Council of Crimea, and leaders of various political parties in Crimea, that those who are now in power in Crimea are the ones who bear the responsibility for the situation that is taking shape in Crimea, apart from the socioeconomic situation—I mean the political, socioeconomic, and political and legal situation. I mean responsibility for the consequences. We have many examples showing what delayed or unqualified actions by central bodies of power end up in when some regions begin to deviate from the state norms, rules, ethics, to say nothing about laws. We have many examples, unfortunately.

Therefore, addressing all Crimean leaders, I would like to focus their attention on the fact that the socioeconomic situation should be an everyday issue, and those who are supposed to deal in politics, let them do it, but things should be done in a way to prevent politics from prevailing over economy, so that political battles did not distract economic managers from resolving economic issues.

I would also like to say that, regrettably, we still have quite a lot of instances where regional authorities from, incidentally, not only Crimea, although it is precisely Crimea where these abound, can allow themselves to ignore the Ukrainian Constitution and laws, and orders and resolutions by the Cabinet of Ministers on such subjects as the state budget, that the finance minister talked about, or others that regulate Ukrainian legal and political activities. They even split the budget into parts locally, with the budget broken down into three parts at enterprise level, and thus incur a debt to the state budget and think that it will be so forever, and that nobody will ever ask anything.

This cannot continue for long. This is all a sign of central authorities disintegrating altogether.

Who knows what it means when there are actions in breach of state budget discipline in any country, be it in the west or in the east, including Russia? Almost all of you know. In many of what we call democratic, civilized, and developed countries, failure to pay tax, for example, entails much harsher criminal liability and imprisonment. Not for some small-time hooliganism or other offenses, but for breaking tax laws.

This is how it is everywhere worldwide, and this is what cements the foundation of state infrastructure, which is what I will once again like to emphasize. Clearly, nobody is intimidating anybody here or, Lord save us, hinting at anything. Simply, there is quite enough information available.

There is room for action by the government, which is obvious and is a matter of priority. There is, however, some leeway for legislative initiative, proceeding from the government with regard to the Supreme Council. If all of us now settle this issue, doing it calmly, without any tension in society, and without any involvement of what we call power-wielding structures, we will make everybody acknowledge that there are things inviolable, infringement upon which is punishable very severely in every nation of the world.

I have put this into the context of Crimea because, unfortunately, it is precisely the sociopolitical situation in Crimea that brings it home to us quite acutely.

I think, enough has been said today to the effect that no solid investments will be made in Crimea if tensions continue to take place there, and the summer season will be spoiled, if not frustrated, even from the viewpoint of revenues to the Crimean budget, to say nothing about the reputation and prestige of both Ukraine as a state and the Crimean leadership.

Therefore, to wind up today's discussion, I think we all—I appeal, first and foremost, to members of the Cabinet of Ministers, and leaders of central ministries and departments—should proceed from the fact that the Crimean Autonomous Republic, despite all the problems it is facing now, is Ukraine's ailing child, and we all together should treat it in a normal and quiet manner.

I would like our discussion today to calm down those who were going to spend their vacations in Crimea, and those who were going to invest large capitals in Crimea. And, naturally, if the Crimean leadership again takes measures that contradict the legislation and the Constitution of Ukraine—I am again saying that this cannot last long. However, it would be better if we all together, with the people of Crimea, with the Crimean leadership, the government, the Supreme Council, deputies and leaders of local bodies of power, solve the problem calmly, laboriously, step-by-step. As soon as hysterical politicization begins, the time we will have to waste will double and triple. We will solve all problems despite anything. And it is clear that we—the Ministry of Finance and relevant officials of Crimea included—will still have to sit and work to find out what else we could do to render organizational assistance, financial, material and other aid to Crimea, the Crimean autonomous republic. [end recording] [passage omitted]

Moroz Supports Idea of President Heading Government

WS3003141495 Kiev KYYIVSKA PRAVDA in Ukrainian 28 Mar 95 p 1

[Report by Yuliya Lystopad: "O. Moroz: 'It Would Be More Rational If the President Headed the Government'"]

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[FBIS Translated Text] **The last two weeks in parliament have abounded in decisions, and thus—in news conferences. The Supreme Council chairman held his latest news conference before his departure for South Korea. In addition to the speaker, it was attended by Viktor Suslov, chairman of the Commission for Finances and Banking Operations, and Dmytro Stepanyuk, member of a working group which visited Crimea. Journalists focused their attention on the draft budget, relations between the parliament and the government, and the situation in Crimea.**

To KYYIVSKA PRAVDA correspondent's question as to whether the parliament chairman considers it expedient to put the issue of no confidence in the government on the agenda, and whether the president himself will have an opportunity to form the Cabinet of Ministers, Oleksandr Moroz replied as follows:

"My personal attitude toward the idea of the government reporting to the Supreme Council is positive. The government must be replaced. Regarding the idea of the president himself forming the Cabinet in case of its dismissal, the current Constitution does not envision this step. I, as a common citizen, however, believe that it would be more rational if the president headed the government in the current transitional period."

How realistic is it to meet the new budget, and, in particular, to introduce the stabilization tax proposed by the government? Why was an article on financing the construction of the Odessa oil terminal excluded from the draft budget? These, as well as other questions were answered by Viktor Suslov:

"The main battle for the budget is currently taking place around the government's wish to make its taxation policy more stringent. This, in particular, is demonstrated by the fact that the government is proposing a 40-percent income tax instead of the 30-percent tax already approved by the Supreme Council. Instead of a 20-percent VAT (adopted in the second reading), the government is proposing a 28-percent VAT. Additionally, the government has announced its intention to introduce another tax—the stabilization tax. We believe that real sources of revenues will appear if real encouragement for production is created, and not if the taxation burden is enlarged. Our commission—and many deputies are supporting its stance— will thus proceed on a path of reducing expenditures and tax exemptions, which are already quite significant. We will not proceed on the well-known path of increasing taxes. Since it was stated that the taxation burden would be eased this year, this should actually take place."

Viktor Suslov also said that the draft budget presented by the president envisioned a certain amount of money to finance the first stage of the oil terminal construction. This article was not included in the draft budget presented by the commission. Deputies are to decide whether or not it should be included in the draft budget during the budget debate held in the second reading.

Just before the news conference, another debate on the situation in Crimea ended. Deputies voted to postpone the local elections [in Crimea]. They are to be held in accordance with the Ukrainian Electoral Law, but with an amendment on ethnic constituencies. Part of the communist faction left the session room during the vote, not willing to participate in it. Commenting on this demarche, Oleksandr Moroz said that everybody has one's own way of influencing a decision. He noted, at the same time, that the abrogation of the Crimean Constitution serves as a legal basis to annul laws passed by the Crimean parliament.

Who allowed a Russian consular group to issue Russian passports to Crimeans?

Dmytro Stepanyuk confirmed that representatives of the Russian Consulate are working on the peninsula. According to him, however, "Ukrainian law enforcement agencies are reprimanding them if their actions resemble recruitment." One cannot say that the answer satisfied most of the journalists. As one of my colleagues ironically noted, in this way Ukraine could also increase the number of the Ukrainian community around the world.

Kiev Investigates Law Enforcement Bodies in Crimea

LD3003184295 Kiev UNIAR in Ukrainian 1630 GMT 30 Mar 95

[FBIS Translated Text] Simferopol, 30 Mar—Yuriy Meshkov, the Crimean autonomy's ex-president owes 8 billion karbovantsi to the Crimean militia for his protection. Major General Vitaliy Kyrychenko, the chief of the Ministry of Internal Affairs of Ukraine Main Directorate in Crimea disclosed this figure at a briefing today.

Statistical data on the activities of employees of local law enforcement bodies and forces, who had arrived in Crimea from Ukraine's southern oblasts (289 men), were provided at the briefing. For example, 318 pieces of firearms have been confiscated since the beginning of the year. Sixteen employees of the Ministry of Internal Affairs of Ukraine Main Directorate in Crimea, including Colonel Ivan Polyakov, the chief of the public security militia of Crimea, and chiefs of law enforcement bodies in Saki and Lenino have been dismissed for various violations made while performing their professional duties.

Maj. Gen. Valeriy Chernyshov, deputy minister of internal affairs of Ukraine said the following about the further accommodation of the ex-president's service in the building of the Supreme Council of the Republic of Crimea: "Yuriy Meshkov's service can be sitting there, if they wish to do so." Only if they violate public law and order, Chernyshov is set to appeal personally to Serhiy Tsekov, the chairman of the Supreme Council of Crimea, to establish "order in his own house."

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Defense Minister Warns Against Budget Cuts

LD3003163995 Kiev UNIAR in Ukrainian 1125 GMT 30 Mar 95

[FBIS Translated Text] Kiev, 30 Mar—In the past three years, the defense budget has met no more than 25 to 30 percent of the Army's requirements. If we continue "steadfastly" acting in this direction, we risk overstepping the boundary beyond which the Armed Forces will suffer negative developments, Valeriy Shmarov, Ukrainian defense minister and deputy prime minister, has warned.

The state's defense budget must ensure every aspect of the operation of the Army and other services, he said. This year, however, it will again fall below 30 percent of the requirement and will undergo further cuts at the preparation stage and during consideration by the government and president, with some deputies attempting to reduce military expenditures even more.

Shmarov said: "I believe this will be a grave mistake. It will be the boundary beyond which the Armed Forces will become unfit for action. The money available is only enough for the upkeep of personnel, whereas what is required is that it should also suffice to maintain materiel in readiness for combat and to upgrade it."

Economic Issues

New Agency Created To Coordinate Foreign Technical Aid

LD3003154195 Kiev UNIAN in Ukrainian 1130 GMT 30 Mar 95

[FBIS Translated Text] Kiev—The Agency for Coordinating International Technical Assistance, set up by a presidential decree, will replace the disbanded Agency for International Cooperation and Investments. The decree recognizes the new body as the primary implementor of state policy regarding attracting foreign technical aid, Deputy Economy Minister Lada Pavlykivska, who has been appointed to head the agency, said.

The agency will be responsible for assessing projects submitted by ministries and departments, as well as by private parties, and for drafting interstate agreements concerning technical assistance to Ukraine.

According to Pavlykivska, there will be a change in the approach to aid distribution. The bulk of the funds will be used to pay Ukrainian consultants involved in projects. Cooperation between foreign and Ukrainian experts will help apply international experience to specific economic conditions in Ukraine, she said.

Fifty-one percent of all aid received by Ukraine in 1994 came in the form of grants. In 1995, priority areas for technical assistance are privatization, demonopolization, and power engineering, the deputy minister said.

Official Views Problems in Nuclear Power Engineering

LD3003181295 Moscow ITAR-TASS in English 1552 GMT 30 Mar 95

[By BUSINESS-TASS correspondent]

[FBIS Transcribed Text] Kiev March 30 TASS—One of the most grave problems facing Ukraine's nuclear power engineering is the shortage of storage capacities for spent nuclear fuel, according to Vladimir Fux, director of the south Ukrainian nuclear plant.

In an interview with BUSINESS-TASS, Fux said this shortage might force the closure of all Ukrainian atomic stations in 1995-96.

Until 1991, cassettes with spent fuel were transported to Russia for disposal. But later Russia passed a law prohibiting to import nuclear waste from other countries. As a result, Ukraine's atomic stations have not remove their radioactive waste since 1992-93, which caused the overfilling of their storage facilities.

Another thorny problem encountered by Ukraine's nuclear plants is that of non-payments, Fux pointed out. The outstanding debts to the south Ukrainian station alone now total 6 trillion karbovanets (215.4 bln roubles), he said.

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Belarus

Russia's Bolshakov Arrives for Talks on 'Single Customs Space'

LD3103092995 Moscow ITAR-TASS in English 0833 GMT 31 Mar 95

[By ITAR-TASS correspondent Oleg Artyushin]

[FBIS Transcribed Text] Bryansk, March 31—Russian Vice-Premier Aleksey Bolshakov today arrived for a two-day visit to Bryansk where he will discuss transition to a single customs space with Belarusian officials.

Bolshakov said in an exclusive interview with ITAR-TASS upon arrival at Bryansk airport that he and officials of the customs services of Russia and Belarus would "analyse our preparedness for transition to trade without customs barriers".

According to Bolshakov, all preparations are due to be completed by May 6.

"Our task is to fulfil all interim decisions on rapprochement between our legislations, tariff policies and the organisation of customs services," Bolshakov said.

He added that Russia and Belarus are expected to sign "a more or less detailed schedule of work to be done in the period before May 6 in order to implement the agreement between the two countries".

Belarus's ambassador extraordinary and plenipotentiary to Russia Viktor Danilenko, who arrived to Bryansk together with the Russian vice-premier, told ITAR-TASS that he viewed the relationship between Russia and Belarus as normal.

According to the ambassador, the first phase of the agreement on a customs union between the two countries was being successfully implemented, and customs duties had already been abolished. The creation of a single customs space will mark the next phase, according to the ambassador: "We must remove customs checkpoints to make room for free travel instead of keeping people waiting in a line extending for 15 kilometers".

After a brief conversation with local administration leaders at Bryansk airport, Vice-Premier Bolshakov was taken by helicopter to the Russian-Ukrainian border where he was due to inspect a customs checkpoint at Krasnyy Kamen and meet the leaders of Belarus's Gomel region.

Customs Commitee Head Reports on Trilateral Customs Union

WS3103090395 Minsk BELAPAN in English 0656 GMT 31 Mar 95

[FBIS Transcribed Text] "A distinction between the Belarusian-Russian agreement, which Kazakhstan expressed its readiness to join, and the earlier signed CIS agreement on the principles of customs policy lies in the fact that the new agreement envisages specific stages of implementation", the chairman of the Belarusian State Customs Committee Pyotr Krechka declared at a press conference which was held on March 30.

According to him, in the first stage the member states are to carry out the unification of the customs legislations and the laws concerning foreign economic activity. Only after this the removal of customs barriers is to take place and a single customs space will begin to actually exist. This will be the second stage which also envisages the fixing of common customs tariffs as regards third countries. The realization of the first stage was supposed to take four months, and all the necessary procedures stipulated by the Agreement for this stage are to be carried out before May 6 this year. The Belarusian State Customs Committee has already worked out the corresponding proposals for amending the Customs Code and the law on customs tariffs. The proposals are based on the principles of customs legislations for the CIS member states, which were signed at the highest level.

According to Mr. Krechka, the unification of customs legislations does not mean that the Belarusian legislation will be remade according to the Russian legislation or that of Kazakhstan. He assured that "only the positive experience of each of the contracting parties will be taken into consideration". For the implementation of the trilateral agreement between the governments of Belarus, Russia, and Kazakhstan a programme of actions aimed at the implementation of agreements about the further expansion and deepening of cooperation has been worked out. Within the framework of the customs alliance special organs are supposed to be established with a view to coordinate the solution of problems which may occur in the unification of the legislations, simplify commodity circulation, create conditions for a rapid transportation of goods destined to one of the three countries through the territory of them.

The agreement on the unity of control of the customs services also envisages the establishment of national representations to the customs services of Russia, Belarus and Kazakhstan. But if the presence of representatives of the Russian customs service can be considered agreed, it is unknown whether or not there will be Belarusian representations in Russia and Kazakhstan because, according to the head of the State Customs Committee, the Belarusian authorities are yet to consider the expediency of establishing national representations there. The whole question rests on financial restraints again.

Economic Court Urges Kazakhstan To Pay Debts

WS3103090195 Minsk BELAPAN in English 0656 GMT 31 Mar 95

[FBIS Transcribed Text] On March 30 the collegium of the CIS Economic Court completed its work on an appeal from the Republic of Belarus in view of Kazakh Government's failure to fulfill its obligations under the

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agreement between the two states on grain deliveries and assistance in harvesting in 1993. The collegium declared that Kazakhstan had not really met its commitments under the agreement, and recommended the government of this country to take measures for paying off the debts to the Belarusian side for the latter's expenses on assistance in harvesting. As it was reported, in 1993 Belarus sent 1,737 lorries with drivers and 1,856 machine-operators to the Kustanai region. The Belarusian workers' labour still remains unpaid for. According to the agreed estimations the Kazakh side owes over 3 billion Russian rubels and 814 tons of grain as a natural payment to machine-operators. Representatives of Kazakhstan explain the delay in payment by economic difficulties. However representatives of both sides unanimously declared that the appeal of Belarus to the CIS Economic Court will not adversely affect the subsequent relations between the countries. The resolution of the Court is to come into force at the moment the sides receive its copies.

Explanation Demanded for Hockey Team Beating

LD3003181395 Moscow ITAR-TASS in English 1558 GMT 30 Mar 95

[By BELINFORM correspondent Aleksandr Lyushkevich for TASS]

[FBIS Transcribed Text] Minsk March 30 TASS— Belarus demanded Thursday [30 March] that Bulgaria provides official explanations of the beating by police in Sofia of the national Belarusian ice hockey team which won the first place in the division "C" of the world championship held in Bulgaria.

Bulgarian Ambassador Marco Ganchev was invited to the Belarusian Foreign Ministry where First Deputy Foreign Minister Valeriy Tsepkalo requested explanations of the incident and expressed "serious concern" that the official Bulgarian authorities are keeping silent over the incident.

"Some of the players have their limbs broken, the internal organs are damaged, their arms and legs are deeply cut", Vice President of Byelorussia's Ice Hockey Federation Vladimir Berezhkov told ITAR-TASS Wednesday.

Sergey Shitkovski, one of the team's leading forwards, was hospitalised with "double fracture of the jaw and brain concussion".

Many other players, who are to participate in the Belarus ice hockey championship in a few days, were also unable to go on the training ground.

According to Berezhkov, the night before the departure from Sofia, several Bulgarian policemen handcuffed three of the players for no apparent reason, forced them down on the ground and beat them up. The policemen refused to explain anything to the team. "When I tried to phone the Belarusian embassy I was also detained and beaten up", Berezhkov said.

"After that another group of policemen searched the rooms of the Belarusian players, and, as a result, money and other valuables vanished, among them the golden medals.

"The three players and I were taken into custody. And only the interference of a representative of the championship organising committee improved our situation a little, though the police did not present any explanations or excuses", he added.

The team were to leave early next morning and Berezhkov said police agreed to free them on bail of USD 2,000. "We managed to collect only USD 1,665", he added.

There was practically no information about the incident in the Bulgarian mass media, except for the metropolitan "24 HOURS" newspaper which reported that "Belarusian hockey players were engaged in a fight with Bulgarian police". It also said that two of the players were taken to the local military hospital.

The newspaper said that the fight had happened after the team celebrated its triumph in the division "C" championship. The players, accordinbg to the newspaper, wished to spend the night with prostitutes, but the girls turned them down, and here the police interfered. Two of the policemen were also hospitalised, according to the newspaper.

Belarus' representative in Bulgaria Igor Ternov [name as received] told ITAR-TASS by phone Wednesday that none of the Belarusian team had applied for help during their stay in Bulgaria.

Bulgarian authorities have not informed him about the incident either. Ternov said he was going to make an inquiry by himself.

It became known Thursday that Ternov was called to Minsk for consultations.

Progress in Military Reductions, Reform Detailed

WS3003141395 Minsk VO SLAVU RODINY in Russian 28 Mar 95 p 1

[Report by Lieutenant Colonel V. Tsasyuk: "Along the Path of Army Reduction"]

[FBIS Translated Text] **Some three years have passed since reform began in the Belarusian Army (reform, in fact, began in May 1992). The once sizable former Belarusian Military District, which use to comprise 243,000 servicemen, has been reduced to 150,000 over this period of time.**

The current Army, however, is not only comprised of three army corps and two divisions. It also comprises 15

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military factories, 51 military reception centers [voyennaya priemka], 10 military chairs in colleges, 46 preschool institutions, 59 housing management offices, 140 military commissariats, and four centers for retraining servicemen. The Defense Ministry also subsidizes 580 military settlements with 3,229 houses—staffed with personnel providing housing and consumer services, such as locksmiths and plumbers—as well as 465,000 hectares of land, and 326,000 hectares of forest. As the defense minister stated, all this must be handed over to the state in the form of local authorities.

By the way, this hand-over process is under way. According to a government resolution, 40 military settlements comprising 349 buildings with 8,000 apartments have been handed over to local authorities. The cutting back on operating expenditures amounted to 578 million rubles.

The inventory of agricultural areas that will also be made available to the national economy is currently under way.

If the Army gets rid of functions that are not typical of it and rids itself of surplus burdens, it, first of all, will achieve the mandatory norms of personnel reduction, and, second, will be able to allocate more funds for combat training, or for its proper tasks.

Antonchyk Report Deemed Opposition 'Trump Card' in Election

WS3003121595 Minsk BTK Television Network in Belarusian 1900 GMT 28 Mar 95

[Announcer-read report]

[FBIS Translated Text] The sociopolitical information department of the presidential administration has reported that on 28 March 1995, the Leninski District Court in Minsk examined an action by Syankow Ivan Ivanavich, head of the presidential office, for certain facts of so-called corruption presented in a scandalous report by Deputy Antonchyk. Two previous court sessions did not take place because of Antonchyk's nonappearance in court.

The court hearing took place as a political show performed by a large number of rallying Belarusian Popular Front supporters, who were present in the court room. Since Antonchyk was unable to present concrete evidence regarding any corruption, the next court session was scheduled for 30 March 1995. The political show organized in court, according to the department, allows one to conclude that the Belarusian Popular Front and Antonchyk himself try to use defamation of the authorities without evidence as a trump card to win a deputy seat in the upcoming elections to the Supreme Soviet.

Moldova

Uzbek President Arrives on Visit

LD3003120895 Moscow ITAR-TASS in English 1030 GMT 30 Mar 95

[By ITAR-TASS correspondent Valeriy Demidetskiy]

[FBIS Transcribed Text] Chisinau March 30 TASS—Uzbekistan's President Islam Karimov arrived on Thursday [30 March] in Moldova for a two-day official visit. The programme of his stay in Chisinau includes meetings with President Mircea Snegur, parliamentary speaker Petr Luchinskiy, Prime Minister Andrei Sangeli, representatives of Moldavian public and business people.

A treaty of friendship and cooperation and a number of intergovernmental agreements aimed at expanding trade, economic, scientific, and cultural relations between the two countries are expected to be signed during the Uzbek president's visit.

According to the data of the Moldovan Economics Ministry, the volume of Moldova's trade with Uzbekistan increased almost five-fold over the past three years. Moldova is interested, specifically, in the purchase of Uzbek cotton for its light industry. It proposes to deliver consumer goods in return for cotton.

Cooperation Treaty Signed

LD3003183695 Moscow INTERFAX in English 1527 GMT 30 Mar 95

[FBIS Transcribed Text] CHISINAU, Mar 30 (Interfax)—Moldovan President Mircea Snegur and his Uzbek counterpart Islam Karimov signed a bilateral Friendship and Cooperation Treaty in Chisinau Thursday [30 March].

Seventeen agreement on trade, economic, scientific and cultural cooperation and a protocol on consultations between the Foreign Ministries of the two countries were also signed.

At a news conference which followed the signing ceremony Snegur expressed the hope that the treaty will become a firm basis for joint activities in the framework of the UN, OSCE, CIS and other international organizations as well as for expansion of bilateral relations.

Karimov said that the overriding goal of his visit to Moldova was the setting up of a legal framework for a long-term political, trade and economic and cultural cooperation.

He said that Uzbekistan supports territorial unity and independence of Moldova. We believe that all problems have to be resolved in a peaceful way and without foreign interference, Karimov emphasized.

He said he is in favor of mutually beneficial economic cooperation but strongly objects to setting up transnational political structures in the CIS framework.

Dniester Ukrainians Demand Rights, Appeal for Support

AU3003190395 Kiev MOLOD UKRAYINY in Ukrainian 28 Mar 95 p 1

[Report by Volodymyr Oliynyk: "Ukrainians of the Dniester Region Will Not Agree to a Secondary Role"]

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[FBIS Translated Text] **"Ukrainians of the Dniester region will not agree to a secondary role," said Oleksandr But, chairman of the Union of Dniester Region Ukrainians, in an interview with our correspondent. He commented on the Second Congress of the Dniester Region Ukrainians that was recently held on the territory of the self-proclaimed Dniester Republic. Incidentally, plenipotentiary representatives of the Ukrainian community from right-bank Moldova took part in the work of the congress. Unlike their brothers in mainland Ukraine, they are determined to join efforts with their left-bank compatriots. Let me remind you that almost 300,000 Ukrainians reside in the Dniester Region, and the total number of Ukrainians in Moldova is almost 700,000. For small Moldova this is, undeniably, a quite powerful Ukrainian minority.**

Oleksandr But, commenting on the results of the congress, particularly stressed the fact that the Union of Dniester Region Ukrainians, represented at the congress by 170 plenipotentiary delegates from all over Moldova, had received, by the decision of the congress, a qualitatively higher status, having been upgraded from a public organization to a sociopolitical association. According to Oleksandr But, this step was meant to show the authorities of both Moldova and the self-proclaimed Dniester Republic that Ukrainians both in the Dniester region and in Moldova in general reserve the right to decide their own future in case of any sociopolitical changes in Moldova, including changes to its present state-territorial status. In the opinion of Oleksandr But, who has again been elected chairman of the Union of Dniester Region Ukrainians, it was precisely owing to the active position occupied by Ukrainians in the Dniester Region and by the Ukrainian community in Moldova that there was no annexation, or, as it is referred to, "union" between Moldova and Romania, despite the fact that, to this day, there are powerful political and right-wing nationalist forces who dream about Moldova as a part of greater Romania.

For a certain period of time, Ukrainians in the Dniester region looked toward Kiev with great hope, but the Dniester conflict and the situation with the 14th [Russian] Army have taught them one thing: To consolidate and stand up for their rights as a nation and as a part of a great nation on the territory of a sovereign Moldovan state. Moreover, Oleksandr But said that in accordance with the decision adopted by the Second Congress of Dniester Region Ukrainians they may express mistrust in the leadership of the Dniester Moldovan Republic if it takes any steps leading to a future union between Moldova and Romania.

"We wouldn't like anybody to get an impression that the Ukrainian community in Moldova is something like a 'fifth column.' On the contrary, we are in favor of Moldovan prosperity and independence, but will never agree with those Romanian politicians who refer to Moldova as a temporary state formation which will sooner or later become a part of Romania. We live in the land of our forefathers, and if it has so happened historically that this is Moldovan territory, we have the right to maintain our autonomy, cultural and historical heritage, and rights of a national minority as stipulated by international law and conventions."

Oleksandr But believes that official Chisinau clearly doesn't like such an upsurge of activity of the Ukrainian minority in the Dniester region, but it has become clear even in Chisinau that nothing can be achieved through pressure or threats, because this is a matter of striving for a civilized way of life, rather than a temporary conflict or dispute which may be resolved from a position of strength. Incidentally, Oleksandr But explained how Chisinau puts pressure upon the Ukrainian community. Not a single kilogram and not a single cent of the humanitarian aid has been given by—as Chisinau puts it—monolithic Moldova to residents of the Dniester region, in which precisely Ukrainians constitute a majority. However the Ukrainian community hopes that, sooner or later, a compromise with official Chisinau will be found.

There are more problems than achievements. On the whole, as I already said, the majority of able-bodied Ukrainians densely populate the territory of self-proclaimed Dniester Moldovan Republic. For that reason, official Chisinau subjects them not only to economic blockade, but also to political oppression. Quite often the official Moldovan press calls Ukrainians "Dniester separatists," identifying them with the Dniester region's small Russian-speaking population, which does conceal its liking for General Lebed's 14th Russian Army. Nor does the Ukrainian press give more attention to the Ukrainian community, pretending that the almost 700,000-strong Ukrainian community in the Dniester region does not exist.

"Support is our salvation and hope," says Oleksandr But, "because our people, who consider themselves Ukrainians, our fathers and children, have no right to abandon a single Ukrainian living outside his beloved state."

Svetlyi Villagers Vote To Join Gagauz-Yeri

AU3003131095 Chisinau BASAPRESS in English 1900 GMT 28 Mar 95

[FBIS Transcribed Text] Chisinau BASAPRESS, 28/3/1995—The village of Svetlyi, Taraclia district, will join Gagauz Yeri-Gagauzia, according to the results of the referendum repeated on March 26, Vasiliy Neikovchin, Gagauz parliamentary spokesman, told BASA. He said that 84.6 percent of all eligible voters participated in the referendum. 53.4 percent pronounced themselves for, 30 percent against, while 1.2 percent of bulletins were considered invalid. 15.4 percent did not come to the ballot sites. Neikovchin said that local elections will not be conducted in Gagauzia as this contradicts Article 12 of the Gagauz-Yeri law that the date for local elections is set by Gagauz People's Assembly. "There are electoral commissions operating

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in the Gagauz districts, but people will not participate in elections until the Chisinau Parliament revises the laws, including the Constitution, by changing them to correspond with the Gagauz-Yeri law," said Neikovchin. BASA learned from the Moldovan Supreme Court that according to the Constitution, the local elections law has the priority and the Constitution can be revised only six months after the Constitutional Court presents its recommendation on this matter. "Under these circumstances, it will be juridically correct that the Parliament abrogate the special status law since Comrat refuses to obey," pointed out the quoted source.

Snegur Promises To Meet Some of Students' Demands

LD3003165795 Moscow INTERFAX in English 1522 GMT 30 Mar 95

[From the "Presidential Bulletin" feature: compiled by Nikolay Zherebtsov, Andrey Petrovskiy, edited by Vladimir Shishlin]

[FBIS Transcribed Text] The press service of the Moldovan president reported to Interfax that during the meeting between Mircea Snegur and representatives of the republican striking committee the parties reached an agreement to stop the strike of Chisinau's students and studying youth which is going on for a week already.

IF note: The intention of the republican Education Ministry to replace teaching of the Romanian language and Romania's history for the Moldovan language and Moldova's history in the educational programs was one of the premises for mass meetings of Chisinau's students and pupils. Young people gathered on the central square of the Moldovan capital and blocked the traffic. The striking students also demanded to increase stipends and to pay off debts on stipends.

The press service reports that as a result of the discussion it was decided to establish moratorium with respect to the course of history and language studied in higher institutions, for the period of further consultations as well. Snegur also promised to create a commission which will speed up solution of students' economic demands,

Meanwhile, at a press conference members of the republican striking committee categorically refuted information stating that the parties reached an agreement to stop striking. They declared bout their intention to continue the action of protest at least until the president's promise is fixed juridically. They believe that it could be a presidential decree to impose a moratorium on the intention of the Education Ministry to change programs of teaching or a presidential address to the parliament with a legislative initiative to change the Constitution.

About 20,000 students who are on strike in Chisinau propose to change Article 13 of Moldova's Constitution so that not the Moldovan but the Romanian language would be the state language in the republic. The demonstrators believe that this is not a political demand, and but a guarantee that "there will be no more attempts to change the teaching programs to please political interests of those who are at power."

At a press conference held in Chisinau chairman of the students league Oleg Cherney reported that representatives of the republic's all 12 higher institutions, many colleges, secondary special institutions are participating in the strike.

Numerous working staffs of different enterprises, pensioners, and the unemployed have joined demonstrators. They set forth a package of social-economic demands, including increase of wages, stipends, and benefits, and clearing off of debts on pensions and other payments.

Strike Continues Despite Snegur's Promises

AU3003203695 Chisinau INFOTAG in English 1850 GMT 30 Mar 95

[FBIS Transcribed Text] Chisinau, INFOTAG, 30/3/1995—In spite of yesterday's two presidential edicts concerning the strike, thousands of students again gathered at the Central Square today, thus continuing their protest action.

The two Snegur's edicts envisage imposing a moratorium on changes in the study courses of history, language and literature, and setting up a commission to consider the strikers' socio-economic demands.

Closing today's rally and march, Oleg Cernei, a leader in the republican strike committee, has announced two more slogans: "General strike!" and "Today Chisinau—Tomorrow the Entire Country!".

According to Cernei, the presence of manifestants at the square will be "particularly important and necessary" on Friday [31 March], because tomorrow the Parliament will be considering the situation, and strike committee members have been invited to the sitting.

On Thursday, the Romanian Foreign Ministry distributed a statement which emphasized that speculations about Romanian involvement in the Chisinau events are not true. By spreading such rumors, certain forces are seeking to distract public attention from the essence of real problems, and this only leads to further aggravation of the situation, the document reads.

Snegur: Strikers 'Failed To Keep Their Word'

AU3103063895 Chisinau INFOTAG in English 1850 GMT 30 Mar 95

[FBIS Transcribed Text] Chisinau, INFOTAG, 30/3/1995—In spite of the accords reached yesterday, the student strike committee "failed to keep their word" and have not fulfilled their promise given to the president to stop the strike, Mircea Snegur has stated.

"Maybe they are unable to influence the events. And though the strikers are saying nobody is standing behind their backs, their denial of accords with the head of state

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indicates that there are some forces who control the strikers", Snegur said at today's press conference on the occasion of the official visit of the Uzbek President to Moldova.

He stressed he would keep on seeking a compromise, and called students to think over their actions once more.

"We have been receiving lots of telegrams in which people are demanding more radical measures to be taken against the unrest. I would not like to use such measures", Snegur said.

Commentary: Unrest Reflects Dissatisfaction

AU3003131295 Chisinau BASAPRESS in English 1900 GMT 28 Mar 95

["Political Commentary": "Students Test Government's Vulnerable Points"]

[FBIS Transcribed Text] Chisinau BASAPRESS, 28/3/1995—The students' protest manifestation is the first case of mass display of dissatisfaction toward Moldovan authorities after the last parliamentary elections. In particular, toward the methods employed by the current ruling party and its allies to settle the problem of ethnic identity of the majority of Moldovan population. Setting as objective the domination of people's awareness of national identity, including by school programs adjusted to state ideology, the current leadership created itself problems which it will have to confront continuously. These problems include first of all criticism by opposition represented by the Christian Democratic Popular Front [FPCD] and United Democratic Congress, and secondly, the retort by intellectuals, teachers and students who might react negatively to any attempt of adjusting school programs to certain ideologies. In addition, one should not ignore the fact that most intellectuals, teachers and students are in opposition to the current orthodox wing, at least of the Agrarian Democratic Party of Moldova [PDAM], Socialists and "Edinstvo" Movement. The appointment of parliamentary majority's views on ethnic and linguistic identity in the Constitution—in contradiction with that of many people—only apparently settled this problem. The conflict was conserved so that the protests would occur permanently. The protest actions were caused by an Education Ministry College's decision on suspension of the History of Romanians course. The reasons are, however, much more complex. Driven by "the euphoria of success" the two majority parties, especially the Socialist Union—which manages the culture, education and media-decided "to fight to the end," ruling out any alternatives. As a consequence, due to their open intolerance the two parties are responsible for the situation in which they were left nothing to choose. They should either abandon some key objectives they pursued since coming to power or face all problems to an unpredictable end. Or, as a last resort, to give up controlling the name and contents of humanitarian subjects taught in schools. Despite the calls "to punish" the strikers' leaders, authorities will not use repressions. They are aware that in that case the size of manifestations will increase in geometrical progression. Official representatives to not make harsh statements regarding the "instigators"; they prefer to stick to phrases that the protests are "illegal and anti-constitutional" and that provocative political forces are behind the protesters. Almost all dignitaries alluded that the strikers' key demands cannot be satisfied. Unlike other top officials who made references to pro-fascist movements in their statements, President Mircea Snegur reacted quite kindly toward the protesters. With a delay of over a week the President stated that "the fact itself that students and faculty members can express their dissatisfaction is already a sign of democracy in Moldova." On the other hand, Snegur accused the Strike Committee of "uncivilized behaviour. I do not deny the existence of the problems raised by the protesters. The leadership is prepared to examine them in a situation of calmness, but children should attend school," concluded Snegur. The president's silence caused some opposition circles to say that street manifestations are employed in various ways by top officials in internal fights between them on the eve of upcoming presidential elections.

After accomplishing nothing during the talks with the governmental commission, the Strike Committee decided to continue negotiating only with Mircea Snegur. Meanwhile, a real information was is being waged in Chisinau. As belligerents in this war are the press and broadcasting media controlled by the authorities and opposition newspapers. One side is discrediting the protesters through propaganda and another unequivocally supports them by making public their opinions. The protraction of talks caused and may still cause modifications in the list of demands. In some schools, pupils' parents proposed the Strike Committee to include new demands, such as the modification of the constitutional preamble and articles on national anthem and official language.

Communist Party Shares Government Stand on Events

AU3103063295 Chisinau INFOTAG in English 1850 GMT 30 Mar 95

[FBIS Transcribed Text] Chisinau, INFOTAG, 30/3/1995—The Moldovan Communist Party (PCM) has distributed its statement concerning the protest rallies held in Chisinau in recent days, in which the party expressed its agreement with the political and legal appraisal of events, formulated by the Moldovan Government in its appeal to the nation of March 28.

The statement stresses that 1) Moldova is a sovereign, independent, unified and indivisible state, which corresponds to the age-long continuity of moulding the statehood of the Moldovan nation; 2) the republic's territory is non-alienable; 3) the nation's language is the Moldovan language; 4) the historic and ethnic space, in which the republic's national entity was moulding, belongs to the Moldovan people.

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Kazakhstan

Oil Wells at Standstill After Russia Rejects Oil

LD3003171695 Moscow ITAR-TASS World Service in Russian 0747 GMT 30 Mar 95

[By ITAR-TASS correspondent Fedor Ignatov]

[FBIS Translated Text] Almaty, 30 Mar—Oil fields in Mangistau region will be losing up to $700,000 a day from now on for an indefinite period of time.

The Mangistaumunaygas [Mangistau oil and gas] production amalgamation told ITAR-TASS that as of today oil extraction at Karazhanbas, the largest oil deposit in Kazakhstan, has practically halted. About 1,500 oil wells are also at a standstill in Kalamkas, on the Buzachi peninsula, which yields approximately a quarter of the total Kazakh oil output.

The reason for this wide-scale halt in oil extraction is the refusal of Russian oil refining enterprises to deal with Mangistau oil. According to Russian experts, Kazakh oil has recently been found to contain excessive amounts of salts, which accelerate the corrosion of oil refining equipment. So oil workers in the region have urgently begun seeking reasons for the oversalination, without doubting the justified claims of their partners.

Improvement in Status of German Minority Expected

954F1912A Almaty PANORAMA in Russian No 12, 25 Mar 95 p 3

[Report by Andrey Solovyev: "The Union of Germans of Kazakhstan Maintains That With the Change of the Cabinet of Ministers There Has Been a Pronounced Change for the Better in the Government's Attitude Toward the Problems of the Germans"]

[FBIS Translated Text] Aleksandr Dederer, chairman of the Union of Germans of Kazakhstan, has held a news conference devoted to a meeting between the leadership of the Union of Germans and President Nazarbayev. Deputy prime ministers Vitaliy Mette and Akhmetzhan Yesimov, Tulegen Zhukeyev, chairman of the Kazakh part of the Interstate Commission for Problems of the Kazakhstani Germans, and Ayke Braklo, ambassador of the FRG in Kazakhstan, took part in the meeting also.

According to Herr Dederer, problems of the Germans were discussed in an informal atmosphere during President Nazarbayev's visit to German House—the residence of the Union of Germans of Kazakhstan. Herr Dederer announced that, despite all the measures, the outflow of Germans from the republic is incessant: 121,517 persons left Kazakhstan last year, which is higher than the number of those that had left in previous years. Approximately half a million citizens of German nationality remain in the republic at this time, but many of them will leave Kazakhstan in the foreseeable future. This will be a serious loss for the republic: The Germans deservedly enjoy prestige as good, disciplined specialists who have never aspired to participate in politics, the chairman of the Union of Germans of Kazakhstan believes.

Nonetheless, the union intends to continue work on the support of the Kazakhstani Germans.

Notable assistance here is being rendered by the Government of Germany, which has allocated more than DM30 million to this end. But representatives of the FRG note that the federal republic is not in a position to cover the expenditure on all programs for the ethnic revival of the Germans of Kazakhstan. They note the need for the shared participation in this of the Kazakhstani side.

The Kazakhstani Germans, meanwhile, are acutely in need of a number of social programs. In terms of certain social indicators, they are in a very difficult situation. Herr Dederer emphasized particularly that the Germans remain one of the most undereducated ethnic groups in Kazakhstan—only four persons per 100 have higher education.

Aleksandr Dederer emphasized that "all the issues raised in the discussion met with understanding from the president, and not one of them was shoved under the rug." In the course of the conversation, the head of state gave the persons in charge of the problems of the Germans directives and recommendations.

Herr Dederer observed also that with the change of the Cabinet of Ministers there had been a pronounced change for the better in the government's attitude toward the problems of the Germans.

Nazarbayev on Crime, Gangs, Rackets Purge

954F1923A Almaty KAZAKHSTANSKAYA PRAVDA in Russian 28 Mar 95 p 1

[KAZTAG report: "Lest the People's Hopes Be Disappointed"]

[FBIS Translated Text] The country is not in a position to provide all Kazakhstanis with high earnings overnight or to give them not only surpluses, but necessities, even. But we have the forces, means, and professional personnel dedicated to legality to eradicate crime in the republic, organized crime in particular, and to afford people an opportunity to live, work, and relax in tranquillity and to feel themselves to be the true masters in their towns and villages.

This demand of the people made of the authorities and the power structures of the state has now come front stage, President Nursultan Nazarbayev declared at the first session, which was held last Saturday, of the Law and Order republic headquarters for operational-preventive measures. Our fellow citizens are troubled less, even, by their impoverishment and earnings

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unworthy of the specialty they have acquired and the labor they have expended. The effrontery and far-reaching pretensions of the nouveaux riches endeavoring to trample legality and the social interests of the majority—this is what, in the president's opinion, should now first and foremost be disturbing the minds of all honest people, primarily the employees of the structures that the Basic Law has ordained should concern themselves with defense of the citizens' constitutional rights. For crime is preventing the realization in full of economic and social reforms and impeding the entrepreneurs and commodity producers, impeding everyone.

The heads of the administrations of the oblasts and Almaty, the leaders of law enforcement authorities, the customs service, the Tax Inspectorate, and the ministries of defense and justice and other ministries and departments, and representatives of the news media were invited to the session.

The first results of the Law and Order measure were given. The concentrated offensive against crime has begun to produce pretty good results.

But, as the head of state observed, such actions have been undertaken before also. Initially they were operative and effective, then they came to nothing. The new conditions presented by life itself do not give us the right to weaken. The actions of the criminals are increasingly subtle, and the ties of criminal elements to the law enforcement authorities and public officials create the impression that the constitutional authority has lost its bearings and is incapable of curbing crime and implanting in people's heart a belief in the triumph of the law and the inevitability of punishment for any unlawful action.

We cannot, N. Nazarbayev emphasized in this connection, disappoint people's hopes or allow them to doubt the seriousness of the campaign against crime that has begun. It is now necessary to draw up precise schedules of the accomplishment of the assignments. Of course, we cannot for a protracted length of time, as now, engage in the announced activity 50,000-60,000 persons annually, but nor do we have the right to lessen the intensity of the struggle that has been mounted. If the Law and Order operational-preventive measure fades away, if we retreat in the face of the criminals and also in the face of our "comrades" who have overstepped the mark, building for themselves at the public expense fashionable cottages, purchasing foreign automobiles, and altogether living beyond their means, then, the head of state summed up, addressing those present in the hall, none of us is worth a dime. And we would then have to be replaced by those who are more deserving, consistent, and courageous. There is not, nor will there be, any other path or solution.

The president recalled that justice has now been afforded all the conditions for an effective fight against crime—radical revisions and addenda have been made to certain legislative instruments. It is necessary now merely to make skillful use of them. And then the common efforts in the fight against crime will make this process irreversible.

Specific assignments in connection with the Law and Order measure were given all the appropriate services, N. Nazarbayev said, at the republic conference. But the fight against crime is a broad question. Provision cannot be made for everything all at once. It is necessary to make use locally also, therefore, of all available specific opportunities for ensuring tranquillity and bringing order to bear.

In the president's opinion, questions of the creation of a normal life in their own regions should be examined and solved constantly, single-mindedly, and in depth by the local administration chiefs and also the councils, especially since the ruling of the Constitutional Court on the Supreme Council did not affect them at all. We need to start immediately to begin to familiarize schoolchildren, students, and the entire population with the revisions and addenda made to the legislative instruments. People must know that the laws are increasingly being addressed to them and that they will come to the defense of their rights. The criminal elements, on the other hand, should, in turn, make a firm note of the fact that carjacking in the republic will henceforward "get" them up to 15 years' imprisonment, that the guardians of order may, in accordance with the situation, use weapons without warning, and that the owners of a home or apartment being broken into by a criminal to steal their private property may choose any forms of defense without consequence to themselves.

The head of state expressed serious complaints about the news media. According to him, the majority of the news media still remains deaf to a resolution of a principal national problem—the fight against crime, gangs, and racketeering.

The session adopted, in addition to those already known, the decision to undertake a further number of actions, in which connection the government and a number of republic ministries and departments were given assignments concerning, specifically, the elimination of the budget indebtedness to the law and order authorities and the opening in the regions of medical and labor treatment centers for the voluntary and compulsory treatment in them of alcoholics, drug addicts, and substance abusers.

Another session of the republic headquarters will be held at the end of this week. At this time, however, the discussion was very strict and exacting. And, as the president warned, unless improvements are made in the strengthening of law and order and unless all that has been outlined for a decisive offensive against crime is performed promptly, concertedly, and with great efficiency, organizational measures in respect to the leaders of this office or the other could follow.

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Past Deputies Accepted in Government Jobs

954F1910A Almaty PANORAMA in Russian No 12, 25 Mar 95 pp 1-2

[Interview with Vice President Yerik Asanbayev by Irina Bektiyarova of INTERFAX, specially for PANORAMA; place and date not given: "In Order To Find Employment for Former Deputies, Extra Positions in the State Authorities Are Being Created in Some Cases"]

[FBIS Translated Text] [Bektiyarova] Yerik Magzumovich, the commission that you head at the directive of the president is dealing with matters connected with the illegitimacy of parliament. The former deputies are not, understandably, to blame for having found themselves in the present situation and may, evidently, expect their problems to be resolved.

How will the potential of the corps of deputies be used?

[Asanbayev] In some cases we have introduced extra positions.

On 20 March, therefore, questions of employment were settled in practice for the 120 deputies. Of these, 40 have been taken into the organs of state administration, including the rayon and city administrations of Almaty, including 25 who have been taken onto the staff of the president and the Cabinet of Ministers, and five or six persons have requested early retirement.

Some 10-20 former deputies do not require placement, since they are returning to commercial structures and public organizations. Eight persons have left for the localities, and their employment is being handled by the administration chiefs.

The questions of 55 former members of parliament have yet to be decided, unfortunately.

Seventeen here were offered a chance to return to their former places of employment or to take employment in positions that we can offer at this time.

But they are not agreeable, since they have higher requirements.

[Bektiyarova] How are the questions of employment of the leaders of the former Supreme Council and the chairmen of the main committees being decided? It is no secret, after all, that the speaker of the previous parliament was head of the opposition to the president. Will it not be this way on this occasion also?

[Asanbayev] The questions of the leadership of the former parliament are being tackled. Zinaida Fedotova has been appointed head of the Awards Department of the Office of the President. She is a good lawyer and knows people in Almaty and the republic. A. Kazhibayev, chairman of the Control Chamber, has been appointed chairman of the Defense Industry Committee under the Cabinet of Ministers; N. Bayev, deputy chairman of the Defense Industry Committee; A. Baymenov, deputy minister of labor; A. Bizhanov, presidential assistant; V. Gulyayev, deputy minister of the environment; Yu. Sytov, deputy minister of geology; A. Ryabtsev, deputy chairman of the Committee for Water Resources; A. Shukhovtsov, deputy minister of agriculture; Yu. Kim, head of a department in the Office of the President; Zh. Abdildin has returned as vice president of the Academy of Sciences; M. Suleymenov will become vice president of the Agricultural Academy.

[Bektiyarova] If I am not mistaken, more than 30 persons had obtained apartments. What will happen to them? Will the deputies be granted leave?

[Asanbayev] They will receive a payment, as prescribed in accordance with labor legislation—pay and a lump-sum allowance in the amount of two times their average monthly earnings. Those who are so authorized shall have leave. As far as the official apartments are concerned, they were acquired by 16-17 persons, and they have to be surrendered to the state. But the out-of-towners who have been taken into public service will keep their apartments. Those whose children are in school, in the graduation classes particularly, may occupy their apartments through the end of the academic year, incidentally. Although some, having taken advantage of the school vacation, have already returned to their former place of residence.

[Bektiyarova] As far as I know, some members of parliament have asked that the corps of deputies be allowed to keep its rights and privileges.

[Asanbayev] But this cannot be done. They are, after all, no longer deputies. Many of them have demanded a presidential edict on the dissolution of parliament. But there is no such edict, nor can there be, because the president, according to the Constitution, does not have the right to dissolve parliament. All his actions and the edict on the creation of our commission ensue from the decision of the Constitutional Court. And it is final and not subject to appeal.

[Bektiyarova] Yerik Mazgumovich, many analysts are currently attempting to forecast Kazakhstan's further development. Some of them are pointing to the establishment of the president's dictatorship. What do you, as vice president, think in this connection?

[Asanbayev] I am aware of such gloomy forecasts. During my meeting with the former deputies, some of them confirmed this. Members of the organizing committee of the Assembly of the Peoples of Kazakhstan have put such questions to me also.

I know Nursultan Nazarbayev well. I can affirm, therefore, that we should have no fear of a personal dictatorship, it does not threaten us.

That we do, truly, need strong authority is another matter. A dictatorship of order, a dictatorship of the law.

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It was about this that the president spoke at the meeting on strengthening law and order.

Our society is experiencing a difficult time of transition from one social system to another. And it has been intensified by the collapse of the USSR. Look at the East European countries of the former socialist camp, which adapted to the new conditions more quickly; they also experienced a decline in production, but not on such a scale as with us, and they have already begun to rise. Because prior to this they were developing as independent states.

I am convinced that it is impossible to emerge from this adverse time with weak authority. Only with the establishment of the supremacy of order and the law will political and economic processes become normal and acquire a civilized form. Strong authority is needed not for someone personally. It is needed in order to shorten the transitional period and ease the heavy burden for the people.

[Bektiyarova] Have any opinion polls been conducted as regards recognition of the unconstitutionality of parliament?

[Asanbayev] I am not aware of this. But this would make no sense at this time, I believe. Because the people have received this with indifference and equanimity.

[Bektiyarova] But the unconstitutionality of the 13th parliament does not mean the elimination in Kazakhstan of such an institution as parliamentarianism?

[Asanbayev] Of course not. There will be a parliament in our country. When elections will be held is another matter. After all, no one was expecting such a situation, such a development of events. It is now essential to comprehend what has happened and to learn the lessons.

[Bektiyarova] Will there be constitutional reform?

[Asanbayev] The situation has shown that we need to revise the Constitution. Everyone knows that the present Basic Law, which was adopted by the previous parliament, was a forced and compromise law. It declared a system of checks and balances of the branches of power, but this is absent from the articles of the Constitution itself. We now need to specify the right of the president under the particular circumstances specified in the Constitution itself to dissolve parliament. And the latter should, in turn, be endowed with the right of early termination of the authority of the president.

We need also to clearly specify the relationship of parliament and government, lest the deputies be tempted to seize if only a particle of the powers of the executive. Parliament must occupy the place that befits it, primarily in the sphere of legislative authority. I believe that we need a bicameral parliament. There would in the lower and upper chambers be competition in law-making. They would not prepare and let through arid laws.

[Bektiyarova] How will the interests of people of different nationalities be taken into consideration in constitutional reform?

[Asanbayev] All their interests are already protected in the current Constitution. It contains provisions concerning the equality of the citizens, regardless of nationality, religious belief, and so forth. I cannot say that anything extra will emerge. It is important to abide by what is recorded in the Basic Law.

[Bektiyarova] How are the preparations for the Assembly of the Peoples of Kazakhstan going?

[Asanbayev] It will take place on 24 March. Small assemblies, as consultative and advisory bodies under the administration chiefs, were created locally. They have delegated their representatives to the big, republic, assembly. There are 260 of them, and approximately 40 delegates have been introduced by the president. The assembly will be a consultative and advisory body under the president. Its terms of reference are consideration of cardinal questions of the development of the state and the preparation of recommendations for the head of state on this problem or the other. The assembly will meet in session not less than once a year.

I believe that the assembly will contribute to a strengthening of interethnic accord and consideration of the interests of all the peoples who live in Kazakhstan. The assembly is of a very patchwork nature in terms of national composition, more than 30 nationalities being represented in it: 48 Kazakhs and 42 Russians, the rest representing other nationalities.

Referendum, Possible Consequences Explored

954F1935A Almaty EKSPRESS-K in Russian
29 Mar 95 p 2

[Article by Nadil Rakhmetov: "Common Sense, the Referendum, and Its Consequences: Ballot With a View of the Future"]

[FBIS Translated Text] **The decision of the country's president, N. Nazarbayev, to conduct a referendum on confidence in the head of state provides a mass of food for thought concerning his further steps.**

There arises first and foremost, most likely, the question as to why a referendum on confidence precisely, not, say, elections to a new Supreme Council. It is essential for the president, evidently, even if de facto, to win the support of the people as regards the soundness of his choice and course. This is support that (if present) will enable N. Nazarbayev, first, to expand or augment considerably the field for political maneuver, and second, a material consideration, to win the support of the people in his subsequent undertakings.

And they are no less serious than the move that the president has already made. It is obvious to all that not so much he, perhaps, as society is faced with the task of

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"neutralizing" the questions of languages—primarily Russian and Kazakh—and ownership of the land. Neither question can be decided without changes in the constitution. A fundamental point: Who is entitled to make these changes? According to Article 64 of the basic law, changes to it shall be made by the Supreme Council—one. According to the adopted edict of the president of the country, which has the force of law, on a republic referendum (Article 4), "The subject of a referendum may be: 1) The adoption and revision of the constitution..." (our emphasis—N.R.)—two. Proceeding from these postulates, the president has a choice: either to wait for elections to a new Supreme Council and to seek its consent to revisions to the constitution or on the basis of the law on the delegation to him of supplementary powers to announce that a referendum shall be held on these key matters. One thing is for certain: the president is not entitled (either by edict or decree) to make changes to the basic law of the state **personally.**

What path the president will opt for, we will leave up to him. The essence and consequences of the possible revisions to the constitution and their consequences are another matter. In our view, imparting to Russian a status higher than it has at present would make it possible, together with the effect of the Kazakhstani-Russian agreements on citizenship and the residence of citizens, to mitigate appreciably the migration processes. This would certainly contribute to the achievement of an essential **compromise** in our society, without which any serious policy is impossible in principle. We hope that there is no need to prove that **politics is the art of the possible.**

Things will be far more complex when it comes to a solution of the question of ownership of the land. But only at first sight. It is our conviction that it is undoubtedly necessary to embed in a future law on private ownership of the land **a mechanism of the fundamental impossibility of the land being an object of speculative buying and selling,** and the task would cross from the plane of insoluble problems to the camp of those that are perfectly practicable. The land should work and produce income—both for its owner and for the state and its citizens. Yes, this violates the right of the owner to some extent. But this solution is a compromise also, the value of which, to our way of thinking is more important. The question of what to own—plowland or distant-grazing plots of land—is as secondary as it is impossible within a short space of time, in the time that the documents are officially drawn up, say, to change from being a farmer into a shepherd and vice versa. Although if we "descend" to the land in our thoughts, even today the professional farmer, grain grower, or shepherd or simply the dacha owner do not meditate particularly on whether it is state land beneath their feet or not. They simply work it and thereby earn a living.

The benefit from a private-ownership law on the land is obvious not only in the sense that it, the law, would compel work on the land but it would also attract foreign investors in making investments in the economy. And, consequently, would raise it up, in which each citizen of Kazakhstan has an interest. If only indirectly—through his pocketbook. Is this not so?

We have not, though, considered the situation where the people do not support N. Nazarbayev's aspiration to extend the president's term until the end of the year 2000. In this case N. Nazarbayev would have every right to run again next year at the new presidential elections. But! But would common sense then prevail?

Statute Deemed Benefit to Commercial Banks

954F1913A Almaty PANORAMA in Russian No 12, 25 Mar 95 p 6

[Commentary by Talapker Imanbayev, first deputy chairman of the National Agency for Foreign Investment, recorded by Nurlan Makhmudov: "One of the Important Points of the New Statute on Foreign Credits Is That It Enables Local Commercial Banks To Participate in Servicing Them"]

[FBIS Translated Text] At PANORAMA's request, Talapker Imanbayev, first deputy chairman of the National Agency for Foreign Investment, comments on the statute on the organization of work in attracting, using, and accounting for foreign investment and commodity credits made available to the Republic of Kazakhstan or under Republic of Kazakhstan guarantees.

"I want to draw attention to the following aspects of this statute. First, its sphere of action: It applies only to credits attracted under the state guarantee of the Republic of Kazakhstan. The second main point that distinguishes the statute from those adopted earlier is that commercial banks are being brought into this sphere. The statute says that bank servicing of foreign credit financing of large projects may be placed on a bidding basis among commercial banks. This is probably the best testimony that our commercial banks have now acquired sufficient weight and capital: According to the estimate made jointly by the Ministries of Finance and Economics and the National Bank, they are capable of attracting about $50 million in foreign credits this year, and if some of them increase the authorized capital, perhaps up to $100 million. Commercial banks currently are capable of handling a score of relatively small investment projects—recall, for instance, that the European Bank for Reconstruction and Development (EBRD) credit in the amount of 100 million ECU for implementation of small and medium-sized business projects in Kazakhstan was funneled through some commercial banks. By the way, accumulation of banking experience also was one of the purposes in attracting the EBRD credit: These banks have set and have operating special project analysis groups, so today credit issuance is possible under the unconditional guarantee of these banks. In principle, the statute permits bringing commercial banks into implementation of large projects as well, but in this respect it is more correct to speak of their consortium with state banks.

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"One of the most important points of the statute is that it envisages creating an additional normative base: instructions of the Ministries of Finance and Economics and the National Agency for Foreign Investment. These are the documents that are supposed to clearly regulate what is supposed to be done, and when, by partners in the process of implementing investment projects and commodity purchases. I especially emphasize the word 'partners,' because in this context this includes not only economic entities, but also a commercial or state bank, as well as state organizations, in particular, ministries and agencies participating in the implementation of a specific project.

"This statute also clearly separated the job of attracting foreign capital into two stages: One is defining the priorities, and the other—preparation and implementation of projects. A new element here is that it defines a strict procedure and identifies the lists (point 13 of the statute) to be approved by the government.

"The statute also defines the threshold beyond which an investment project is classified as large. Unfortunately, I was unable to convince my colleagues in other ministries and agencies that in Kazakhstan investment projects costing more than $2-3 million should be classified as such; the banks insisted on $50 million, and the statute contains a compromise figure—$10 million. In this respect I could cite an example from our recent past: Projects costing more than 3 million rubles [R] were approved by the USSR State Planning Committee, while projects costing more than R5 million required the approval of the USSR Council of Ministers and the CPSU Central Committee. That is, very careful preparation and analysis were required in preparation of such documents.

"It is also necessary to note the following point in the new statute. In the past, we did not pay particular attention to project monitoring, that is, the follow-up and control over project implementation. The new document has a special particular part, which is called precisely that: Project Implementation and Control. And this is normal, because if the state undertakes an obligation to foreign investors, it must have the right to place tight restrictions on the actions of domestic borrowers. In the bureaucratic language, it may mean introducing some additional record-keeping, which should enable the state, or on its behalf the State Development Bank or the Eximbank of Kazakhstan, to have complete oversight of the borrower's activities. That is, the borrower must be completely 'transparent' with respect to his income and expenses; and if someone does not like it, they had better not apply for credits. Thus, credit agreements between state banks and borrowers must contain parts prescribing greater accounting than envisaged by statistical reporting in keeping with the current law; by the way, I would like to point out that this is a normal practice everywhere in the world.

"I hope that the Committee for Utilization of Foreign Capital, which is currently being set up under the Republic of Kazakhstan Cabinet of Ministers, will preserve and further develop the approaches that make the foundation of this statute."

Edict on Implementing 29 Apr Referendum

954F1924A Almaty KAZAKHSTANSKAYA PRAVDA in Russian 28 Mar 95 p 1

[Edict of the president of the Republic of Kazakhstan: "On the Republic Referendum To Be Held on 29 April 1995"]

[FBIS Translated Text] Based on the fact that the highest expression of the will of the people, as the sole source of state power in the Republic of Kazakhstan, is a national ballot, considering the appeal of the Assembly of the Peoples of Kazakhstan, and guided by Article 78 of the Constitution of the Republic of Kazakhstan and Article 3 of the law of the Republic of Kazakhstan "On the Provisional Delegation to the President of the Republic of Kazakhstan and the Local Administration Chiefs of Supplementary Powers," I resolve:

1. To conduct a republic referendum on 29 April 1995.

2. To put to the republic referendum the following question:

"Do you agree to extend until 1 December 2000 the term of N.A. Nazarbayev, president of the Republic of Kazakhstan, who was popularly elected on 1 December 1991?"

3. To be guided in the organization and execution of the said republic referendum by the general part of the Code on Elections in the Republic of Kazakhstan and the edict of the president of the Republic of Kazakhstan having the force of a constitutional statute "On the Republic Referendum."

4. That the organization and execution of the republic referendum shall be undertaken by the Central Election Commission of the Republic of Kazakhstan performing the functions of Central Referendum Commission.

5. That the chiefs of the oblast and Almaty City, rayon, and city-rayon administrations shall within seven days following the promulgation of this edict form territorial and precinct election commissions performing the functions of territorial and precinct referendum commissions and put together their personnel.

That the oblast and Almaty City administration chiefs shall immediately inform the Central Referendum Commission of the decisions that have been adopted.

6. That the Cabinet of Ministers of the Republic of Kazakhstan and the chiefs of the oblast and Almaty City administrations shall immediately adopt all the necessary measures for the organizational, material and technical, and financial support of the said republic referendum.

7. That this edict shall take effect the day of publication.

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[Signed] N. Nazarbayev, president of the Republic of Kazakhstan

Almaty, 25 March 1995.

Edict on Central Election Commission Staff

954F1924B Almaty KAZAKHSTANSKAYA PRAVDA in Russian 28 Mar 95 p 1

[Edict of the President of the Republic of Kazakhstan: "On the Composition of the Central Election Commission of the Republic of Kazakhstan"]

[FBIS Translated Text] In accordance with Article 9 of the Code on Elections in the Republic of Kazakhstan, in the version established by the edict of the president of the Republic of Kazakhstan having the force of a constitutional statute of 17 March 1995, I resolve:

1. To appoint:

Yuriy Alekseyevich Kim chairman of the Central Election Commission;

Usen Zhetenov deputy chairman of the Central Election Commission of the Republic of Kazakhstan;

Zagipa Yakhyanovna Baliyeva secretary of the Central Election Commission of the Republic of Kazakhstan;

Yerzat Zeynullayevich Bekbayev, Kapar Bukenovich Bukenov, Tatyana Vitalyevna Okhlopkova, and Viktor Danilovich Fedotov members of the Central Election Commission of the Republic of Kazakhstan.

2. That this edict shall take effect the day it is signed.

[Signed] N. Nazarbayev, president of the Republic of Kazakhstan

Almaty, 25 March 1995.

Edict on 1995 Republic Budget

954F1903A Almaty KAZAKHSTANSKAYA PRAVDA in Russian 24 Mar 95 pp 1-2

["Edict of the President of the Kazakhstan Republic, Having the Force of Law: On the Republic Budget for 1995"]

[FBIS Translated Text] In accordance with Article 1 of the Kazakhstan Republic Law "On the Temporary Delegation of Supplemental Authority to the President of the Kazakhstan Republic and Heads of Local Administrations," dated 10 December 1993, I decree:

Article 1. To approve the republic budget for 1995 as follows: revenues in the amount of 136,020,269,000 tenge; outlays in the amount of 175,399,719,000 tenge; deficit limit in the amount of 39,379,450,000 tenge, in accordance with the appendix.

Article 2. For the term of validity of this edict, laws of the Kazakh SSR and Kazakhstan Republic and edicts of the president of the Kazakhstan Republic having the force of law are suspended in those portions which contradict this edict.

Article 3. To declare as no longer in effect as of 1 April 1995:

—the second part of Article 11 of the Law of the Kazakh SSR "On the Development of Competition and Restriction of Monopolistic Activity" (VEDOMOSTI VERKHOVNOGO SOVETA KAZAKHSKOY SSR, 1991, No. 24, Art. 283);

—the Law of the Kazakhstan Republic "On the Fund for Transformation of the Economy of the Kazakhstan Republic" (VEDOMOSTI VERKHOVNOGO SOVETA RESPUBLIKI KAZAKHSTAN, 1993, No. 9, Art. 208);

—the Edict of the President of the Kazakhstan Republic "On Taxation of Agricultural Livestock Constituting the Private Property of Citizens," dated 5 April 1994 (SAPP RESPUBLIKI KAZAKHSTAN, 1994, No. 10, Art. 151).

Article 4. To establish that:

a) revenues of the republic budget for 1995 are generated from:
—value-added tax;
—excise taxes;
—profits tax from enterprises, organizations, and associations, regardless of form of ownership, including foreign and joint enterprises;
—land tax;
—fixed payments (rents);
—tax on securities transactions;
—proceeds from the privatization of state property;
—other republicwide taxes, fees, and various nontax payments;
—proceeds from sales of the 1994 grain harvest for state requirements;
—income from foreign economic activity;

b) income from foreign economic activity is generated from:
—customs duties for exported and imported commodities;
—proceeds from royalties and bonuses;
—customs procedures;
—proceeds from the sale of imported essential commodities by the state on the domestic market;
—the repayment of funds in national currency with respect to credits issued through direct financing;
—proceeds from local administrations to a credit settlement account for the modernization and expansion of telecommunications networks;
—reimbursement by enterprises for budget expenditures related to paying off their external hard-currency obligations;
—reimbursement by enterprises of budget expenditures with respect to governmental guarantees;

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—proceeds from deposits of the external-loan reserve;

c) enterprises, associations, and other economic entities of all forms of ownership located in the Kazakhstan Republic pay to the republic budget a customs duty for exported and imported commodities in national currency according to the customs tariff;

d) bonuses received from foreign investors, various award and other payments, and royalties are credited to the currency accounts of the Kazakhstan Republic Ministry of Finance and subsequently converted. The amount of payment with respect to other kinds of taxes made by juridical and physical persons of the Kazakhstan Republic to currency accounts of the Ministry of Finance is determined in accordance with procedure prescribed by legislation.

Article 5. To provide, within republic budget revenues, for proceeds and allocations to the following funds:
—Fund for the Protection of Mineral Resources and Reproduction of the Raw Minerals Base;
—Road Building and Repair Fund;
—Fund for Transformation of the Economy;
—Nature Protection Fund;
—Fund for the Support of Entrepreneurial Activity and Development of Competition.

The Kazakhstan Republic Ministry of Finance shall accomplish financial measures related to accomplishment of the functions of the above-named funds as monies are deposited therein, depending on actual receipts credited to the fund in question:
—Road Building and Repair Fund, Fund for the Protection of Mineral Resources and Reproduction of the Raw Minerals Base, and Nature Protection Fund—80 percent each;
—Fund for Transformation of the Economy—100 percent.

To entrust to the Kazakhstan Republic Ministry of Finance responsibility for the correctness of computations and payments to the funds envisaged within republic budget revenues.

Article 6. To introduce effective 1 April 1995 a tax on the consumption of motor vehicle gasoline and diesel fuel by juridical and physical persons.

To establish the following as payers of this type of tax: persons who sell motor vehicle gasoline and diesel fuel in the retail trade network, and management entities—except those for whom the land constitutes their main means of production, for motor vehicle gasoline and diesel fuel acquired for their own consumption in the wholesale trade network.

To establish the tax rate in the amount of 1 percent of the minimum wage per liter of motor vehicle gasoline and diesel fuel sold in the retail trade network or acquired for self-consumption in the wholesale network.

To establish that this tax is to be paid on the 10th, 20th, and 28th of each month, based on actual sales of motor vehicle gasoline and diesel fuel in the retail trade network or on the amounts acquired for self-consumption, with subsequent submission to tax organs of reports on the amounts pertaining to the previous accounting period.

Article 7. To retain in 1995 the rate in effect in 1994 for deductions to state social insurance for all enterprises, organizations, and institutions, regardless of form of ownership, in the amount of 30 percent of the wage fund. To establish the rate for deductions to state social insurance in the amount of 5 percent for the Voluntary Society of Invalids of the Kazakhstan Republic, Kazakh Society for the Deaf, Kazakh Society for the Blind, as well as production and production-training enterprises and branches of such enterprises and organizations which constitute the assets of these societies and are established through their funding, in which invalids comprise at least 50 percent of the total number of employees, the Kazakh Republic Organization of Veterans of the War in Afghanistan (no enterprises), the Society of the Red Crescent and Red Cross, boards of lawyers, peasant (owner-operated) farms, and persons engaged in economic activity not involving the formation of a juridical person.

The total amount of deductions to social insurance is distributed between the Pension Fund and the Social Insurance Fund at the rates of 85 and 15 percent, respectively.

Article 8. To retain for the first quarter of 1995 the procedure in effect in 1994 for fund allocations to the Fund for Transformation of the Economy and for their use.

To establish that the financing of capital investments through the Fund for Transformation of the Economy and from other budget assets is effected by the State Bank for the Development of Kazakhstan.

Article 9. To retain the procedure in effect in 1994 for deductions to the Fund for the Protection of Mineral Resources and Reproduction of the Raw Minerals Base, for enterprises, associations, and organizations of the extraction sectors of industry, and to the Nature Protection Fund.

Article 10. To establish that effective 1 January 1995, the Kazakhstan Republic State Fund To Promote Employment is established through mandatory deductions from management entities and employers (including enterprises with foreign investments, representations, and permanent institutions, with respect to the Kazakhstan Republic Citizens' Wage Fund) in the amount of 2 percent of the wage fund. To exempt from payments to the State Fund To Promote Employment budget-financed institutions and organizations, in that portion of the wage fund financed from budget appropriations, kolkhozes, sovkhozes, and other agricultural enterprises, regardless of form of ownership, which directly produce

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agricultural output, as well as enterprises of the Voluntary Society of Invalids of the Kazakhstan Republic, Kazakh Society for the Deaf, and Kazakh Society for the Blind that are engaged exclusively in production activity, when these enterprises constitute assets of the above and are established through their funding, and at least 50 percent of their employees are invalids.

To determine that the financing of expenditures for resettlement measures is effected out of funds of the State Fund To Promote Employment.

Article 11. To take into account proceeds from the National Bank of the Kazakhstan Republic in the amount of 4.7 billion tenge, in republic budget revenues.

Article 12. To establish that the following are fully credited to local budget revenues: income tax from Kazakhstan Republic citizens, foreign citizens, and stateless persons, state customs duty, tax on means of transportation, water fees, natural resource tax, forest revenue, tax on consumption of motor vehicle gasoline and diesel fuel by juridical and physical persons, universally mandatory local taxes and fees, other local taxes and fees whose rates are determined by deputy assemblies, other collections, and various nontax payments, with the exception of certain types of such payments which are credited to the republic budget.

Article 13. To establish that taxes on revenues obtained from shares, bonds, and other securities belonging to enterprises, associations, and organizations, from share participation in joint enterprises, and from bonds and other securities of foreign enterprises, are credited to the revenues of republic and appropriate local budgets in equal proportions.

Article 14. To establish allocations for 1995 from receipts of statewide taxes and revenues to the budgets of oblasts and the city of Almaty in the following amounts:

a) for value-added tax:

Almaty, Zhezkazgan, Zhambyl, West-Kazakhstan, Kzyl-Orda, Kokshetau, North-Kazakhstan, Semipalatinsk, Taldykorgan, Torgay, and South-Kazakhstan Oblasts—at 100 percent; Akmola, Aktyubinsk, East- Kazakhstan, and Kustanay Oblasts—at 50 percent; Atyrau, Karaganda, and Pavlodar Oblasts, and the city of Almaty—at 20 percent; Mangistau Oblast—at 10 percent;

b) for tax on profits of enterprises, associations, and organizations, regardless of form of ownership, including foreign and joint enterprises:

Almaty, Zhambyl, West-Kazakhstan, Kzyl-Orda, Kokshetau, North- Kazakhstan, Semipalatinsk, Taldykorgan, Torgay, and South-Kazakhstan Oblasts—at 100 percent; Kustanay Oblast—88.6 percent; East- Kazakhstan Oblast—79.7 percent; Akmola Oblast—60.1 percent; Karaganda Oblast—47 percent; Pavlodar Oblast—43.8 percent; Zhezkazgan Oblast—43.1 percent; Aktyubinsk Oblast—29.8 percent; Atyrau Oblast—28.5 percent; Mangistau Oblast—27 percent; and the city of Almaty—26.6 percent;

c) for excise taxes:

Akmola, Almaty, Atyrau, East-Kazakhstan, Zhezkazgan, Zhambyl, West-Kazakhstan, Kzyl-Orda, Kokshetau, Kustanay, North-Kazakhstan, Semipalatinsk, Mangistau, Aktyubinsk, Taldykorgan, Torgay, and South-Kazakhstan Oblasts—at 100 percent; Karaganda and Pavlodar Oblasts—at 50 percent; and the city of Almaty—at 20 percent;

d) for fixed payments (rents):

Pavlodar and Kzyl-Orda Oblasts—at 100 percent; Aktyubinsk and Atyrau Oblasts—at 20 percent; Mangistau Oblast—at 3 percent.

Article 15. To allocate grants in 1995 to the budgets of oblasts and the city of Leninsk, prior to transfer to Russia of the financing of the city's infrastructure, in the amount of 16,790,756,000 tenge, including:
Almaty Oblast—2,113,081,000 tenge
Zhambyl Oblast—1,073,539,000 tenge
West-Kazakhstan Oblast—1,054,455,000 tenge
Kzyl-Orda Oblast—3,180,740,000 tenge
Kokshetau Oblast—771,765,000 tenge
North-Kazakhstan Oblast—144,465,000 tenge
Semipalatinsk Oblast—2,958,690,000 tenge
Taldykorgan Oblast—2,150,837,000 tenge
Torgay Oblast—624,225,000 tenge
South-Kazakhstan Oblast—2,618,959,000 tenge
city of Leninsk—100,000,000 tenge

Article 16. To retain in 1995 the benefits with respect to income tax and profits tax that were in effect in 1994, as well as those stipulated in the Kazakhstan Republic Law on Social Protection for Invalids in the Kazakhstan Republic, and in the amendments and additions of 22 September 1994, and taking interstate agreements into account.

To exempt from income tax that income of citizens which was obtained from deposits in any bank of the Kazakhstan Republic, as well as winnings and interest from 1992 State Internal Premium Bonds of the Kazakhstan Republic, and amounts received in the form of lump-sum compensation in accordance with Article 37 of this edict.

Article 17. To establish that in the event the amount of value-added tax paid to suppliers for commodities and other material valuables acquired is greater than the amount of tax received from purchasers for sold products (work, services), the difference is credited to the forthcoming-payments account in the budget or is reimbursed within the limits of tax amounts actually paid to the budget during the accounting year. For enterprises exempted from paying tax in accordance with subpoints b), c), d), e), y), and cc) of Point 1, Article 5 of the Kazakhstan Republic Law on Value-Added Tax, and

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enterprises whose production output is taxable at a rate fixed in accordance with Point 3, Article 6 of this law, reimbursement of the above-indicated difference is effected from general tax receipts.

A negative difference for value-added tax, produced with respect to sales of oil and oil products, is subject to reimbursement from monies of the Road Building and Repair Fund and the budget in proportions as prescribed by Article 5 of this edict.

For imported products (output) delivered from outside the Commonwealth of Independent States, the value-added tax is paid at the time customs documents are drawn up. The taxable turnover amount includes the customs value of the products (output), determined in accordance with customs legislation of the Kazakhstan Republic, as well as the amounts of fees, duties, and taxes subject to payment when the customs declaration is drawn up.

Article 18. To determine that the excise taxes on alcohol and wine stock purchased by enterprises and organizations and sold to physical persons are paid by these enterprises and organizations.

Excise tax on alcohol produced in the Kazakhstan Republic as ethyl alcohol for drinking, ethyl alcohol rectified from elementary food products, wine stock, fortified drinks (juices), balsam, wine and vodka products, and beer, produced from customer-supplied raw materials, is paid by management entities of all forms of ownership, including enterprises with foreign participation, as well as the branches and divisions which have produced the above-mentioned products.

Excise taxes are paid by all enterprises and organizations located in the Kazakhstan Republic, regardless of their organizational-legal form, type of activity, and affiliation or form of ownership, which sell commodities produced by them or import such commodities from outside the Commonwealth of Independent States.

Article 19. To establish that amounts of tax on securities transactions are credited in their entirety to the republic budget.

Article 20. To establish:

1. base rates with respect to land tax as follows:

a) for steppe and dry-steppe zones in plains areas with ordinary and southern chernozem soils, chestnut and dark-chestnut soils, and in piedmont areas with dark gray (gray-brown) soils, chestnut (brown) soils, and piedmont chernozem:

for a yield index of 1-10, the tax rate per hectare of land is 0.25-1.25 tenge; for yield index 11-20, it is 1.50-2.50 tenge; for 21-30—2.75-5; for 31-40—7.50-12.50; for 41-50—15-20; for 51-60—22.50-27.50; for 61-70—30-42.50; for 71-80—45-57.50; for 81-90—60-75; for 91-100—77.50-100; greater than 100—105.

b) for semi-desert, desert, and piedmont-desert areas with light- chestnut, brown, gray-brown, and gray soils of light and regular hue, as well as mountainous areas with mountain-steppe, mountain-meadow-steppe, alpine and subalpine mountain soils, per hectare of land, as follows:

For yield index of 1-10, the tax rate is 0.25-0.50 tenge; for 11- 20—0.75-2.50; for 21-30—2.75-5; for 31-40—5.25-7.50; for 41-50—7.75-10; for 51-60—10.25-12.50; for 61-100—12.75-25; for above 100—26.

c) the tax rate on land afforded citizens for their own personal farming, construction of dachas, and gardening, including land under structures: 2.50 tenge per 0.01 hectare.

2. base tax rates for land in population centers (cities, working settlements, and rural population centers), per square meter of land, as follows:

For land in Almaty, the tax rate on land containing nonresidential structures, edifices, and sections necessary for their maintenance, as well as sanitation protection areas for facilities, and technical and other types of zones, is 18.75 tenge; the tax rate on land containing state, collective, cooperative, and individual housing assets, including buildings and edifices on them, as well as garages and other parking facilities for means of transportation, and self-propelled machinery and equipment belonging to citizens, is 0.2 tenge.

For land in Akmola, the tax rates on land as described above are 3.50 tenge and 0.2 tenge, respectively. For land in Aktau—5, 0.2 tenge; Aktyubinsk—3.50, 0.2 tenge; Arkalyk—3, 0.2 tenge; Atyrau—4.25, 0.2 tenge; Zhambyl—4.75, 0.2 tenge; Zhezkazgan—4.25, 0.2 tenge; Karaganda—5, 0.2 tenge; Kzyl-Orda—4.50, 0.2 tenge; Kokshetau—3, 0.2 tenge; Kustanay—3.25, 0.2 tenge; Pavlodar—3, 0.2 tenge; Petropavlovsk—3, 0.2 tenge; Semipalatinsk—4.50, 0.2 tenge; Uralsk—3, 0.2 tenge; Taldykorgan—3.50, 0.2 tenge; Ust- Kamenogorsk—5, 0.2 tenge; Shymkent—4.75, 0.2 tenge; Leninsk—4, 0.2 tenge; cities under oblast jurisdiction—85 percent of the rate prescribed for the oblast center, 0.2 tenge; cities under rayon jurisdiction—75 percent of the rate prescribed for the oblast center, 0.1 tenge; settlements—0.5, 0.07 tenge; rural population centers—0.25, 0.05 tenge; cities under oblast jurisdiction in Almaty Oblast—4.0, 0.2 tenge; cities under rayon jurisdiction in Almaty Oblast—3.5, 0.2 tenge.

3. base tax rates for land used for industry, transportation, communications, and other nonagricultural usage situated outside population centers, per hectare of land, as follows:

For yield index of 0-10, the tax rate is 25-250 tenge; for 11- 20—275-562; for 21-30—590-825; for 31-40—853-1,075; for 41-50—1,102-1,338; for 51-60—1,365-1,625; for 61-70—1,652-1,925; for 71- 80—

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1,953-2,238; for 81-90—2,265-2,550; for 91-100—2,578-2,950; for 100 and greater—3,000.

Article 21. Taking inflation into account, to establish the following corrective estimated coefficients to the minimum wage and pensions in the amount of 200 tenge:
effective 1 January 1995—1;
effective 1 March 1995—1.25;
effective 1 July 1995—1.4;
effective 1 October 1995—1.5.
To establish the threshold limit of wages for laborers and office workers of budget-financed organizations in the amount of:
effective 1 January 1995—at least 600 tenge;
effective 1 March 1995—at least 875 tenge;
effective 1 July 1995—at least 980 tenge;
effective 1 October 1995—at least 1,050 tenge.

Article 22. To provide the State Bank for the Development of Kazakhstan, for the financing and long-term crediting of investment projects determined by the Cabinet of Ministers of the Kazakhstan Republic, appropriations in the amount of 9 billion tenge, including 2 billion tenge for the formation of its charter fund.

To establish that not less than 20 percent of the funds provided in this regard, not including the charter fund, be directed towards nonrepayable financing.

Article 23. To provide monies in the republic budget in the amount of 3,083,750,000 tenge for the implementation of measures stipulated in Edict of the President of the Kazakhstan Republic No. 1344, dated 6 September 1993, "On the New Housing Policy" (SAPP RESPUBLIKI KAZAKHSTAN, 1993, No. 35, Art. 405), including 2,200,000,000 tenge in funds from the privatization of state property to go towards formation of the charter fund and credit resources of the State Bank for Housing Construction.

The Kazakhstan Republic Ministry of Finance shall effect the transfer of funds from the privatization of state property to the above-mentioned objectives as these funds are received in the budget.

Article 24. To determine the following as additional sources of the formation of charter funds:

—for that of the State Bank for the Development of Kazakhstan: amounts of arrears for credits previously issued from the Fund for Transformation of the Economy on a repayable basis;

—for that of the Kazakhstan Republic State Bank for Housing Construction: amounts of return of preferential long-term credits for housing measures, previously issued to these ends.

Article 25. To establish that all benefits for employees of organizations, afforded through the departmental decisions of ministries and departments but not envisaged by legislative acts currently in effect, are to be paid out of the profits (income) remaining at the disposal of these organizations.

Article 26. To approve appropriations from the republic budget in the amount of 35,358,206,000 tenge for financing the national economy.

Article 27. To approve appropriations from the republic budget in the amount of 22,806,566,000 tenge for the financing of sociocultural measures.

Article 28. To take into account the fact that appropriations for education financing are envisaged under consideration of a 5 percent reduction, effective 1 September 1995, in the plan for acceptance of students to higher educational institutions of the republic and the shifting of their education over to operation on a contractual basis.

Article 29. To establish, effective 1 January 1995, the amount of monthly stipend to graduate students on temporary leave from employment in industry, on the wage-rate level of a junior research associate without an academic degree, and students at institutions of higher education—at 100 percent of three times the minimum wage amount; students of secondary specialized educational institutions and vocational-technical schools with period of instruction of up to 10 months—at 80 percent of this amount.

State stipends are to be awarded to all successful students of state institutions of higher education and secondary specialized educational institutions.

Article 30. To establish in 1995, for all out-of-city students, daytime-instruction students at state institutions of higher education and secondary specialized educational institutions of the republic, and students at preparatory branches of institutions of higher education financed through the republic budget, preferential rates for travel by state intercity rail, water, and motor vehicle transportation during school vacation periods (twice per year, round trip) in the amount of 50 percent fares, the remaining 50 percent to be paid from republic budget funds.

Article 31. To provide appropriations in the amount of 539,707,000 tenge of republic budget funds for the publication of newspapers and magazines that have social significance.

Article 32. To provide appropriations in the amount of 1,221,383,000 tenge for contributory participation of the republic budget in the formation of regional philanthropic funds for the social protection of pensioners and needy segments of the populace.

Article 33. To provide appropriations in the amount of 500,000,000 tenge to enable infant feeding centers to issue main varieties of baby food, including concentrated foods for needy children on bottle-feeding up to two years of age, children in large families, families of students where the parents are not married, single mothers, and families of military servicemen on basic term of service.

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Article 34. To retain in 1995 the payment to needy, unemployed pensioners of monthly monetary compensation related to price increases for basic food products, in the following amounts, expressed as percentages of the minimum wage:

for individuals receiving full labor pension by virtue of age, disability, labor tenure, or disability of a military serviceman on basic term of service—115 percent;

for individuals receiving labor pension by virtue of less than complete labor tenure or pension related to loss of the breadwinner—95 percent;

for individuals receiving social pensions—75 percent.

The above-indicated payments are to be made to individuals receiving pensions which do not exceed twice the minimum wage established by legislation, calculated on an average-monthly basis for the previous quarter, out of funds from the appropriate local budgets.

Article 35. To retain in 1995 the procedure for payment of monthly benefits to families with children, in the following amounts, expressed as percentages of the monthly minimum wage:

uniform benefits for children up to age six—130 percent, from age six to 18—135 percent;

state benefits to single mothers for children, as well as benefits for minors during the period of investigation of parents evading the payment of alimony and child support, for children up to age six—105 percent, from age six to 18—115 percent;

benefits for children of military servicemen on basic term of service—135 percent;

benefits for children infected with the AIDS acquired human immunodeficiency virus—135 percent;

benefits to nonworking mothers with four or more children up to seven years of age—in the amount of the minimum wage, regardless of family income, replacing the monthly monetary compensation which was in effect in 1994 for mothers with many children, with restoration of the benefits in-kind and monetary payments to them as prescribed by Edict of the President of the Kazakhstan Republic No. 1002, dated 4 December 1992, "On Measures Providing Social Support to Large Families," in that portion dealing with payment of an allowance in the amount of the minimum wage to nonworking mothers with four or more children up to seven years of age, free dental fillings and oral prostheses, as well as their free repair (except those made from precious metals), free medicinal prescriptions for children up to 14 years of age, and free travel on municipal transportation facilities (except taxi);

benefits for disabled children raised and schooled at home—in the amount of 1,600 tenge during the first half-year and 2,150 tenge during the second half-year, regardless of family income.

The payment of lump-sum benefits for childbirth in the amount of four times the minimum wage will be effected out of funds from the Social Insurance Fund.

The payment of lump-sum benefits for interment, in the amount of 10 times the minimum wage, will be made to pensioners—out of the Pension Fund, and to working citizens—out of the Social Insurance Fund.

Article 36. To retain in 1995 the procedure for payment of monthly monetary compensation instead of benefits to the families of individuals who died as a result of radiation sickness and invalids who died as a result of the Chernobyl Nuclear Power Plant catastrophe, in the amount of twice the monthly minimum wage; to other categories of citizens victimized by the Chernobyl catastrophe—in the amount of one minimum wage.

Article 37. To take into account the fact that outlays from the republic budget envisage appropriations for implementation of the following laws:

the Kazakhstan Republic Law on Social Protection for Citizens Victimized as a Result of Nuclear Testing at the Semipalatinsk Nuclear Test Range—in the amount of 6.8 billion tenge, including 4.4 billion tenge for the payment of lump-sum monetary compensation;

the Kazakhstan Republic Law on Social Protection for Citizens Victimized as the Result of the Ecological Disaster in the Aral Region—in the amount of 1.7 billion tenge, including 200 million tenge for the payment of lump-sum monetary compensation;

the Kazakhstan Republic Law "On Rehabilitation of the Victims of Massive Political Repression"—in the amount of 800 million tenge, including 400 million tenge for the payment of lump-sum monetary compensation.

Article 38. To take into account the fact that republic budget outlays for 1995 envisage appropriations related to celebration of the 50th Anniversary of Victory in the Great Patriotic War of 1941-1945—in the amount of 306.87 million tenge, including expenditures of 15 million tenge for events immortalizing the memory of Heroes of the Soviet Union Alia Moldagulova and Manshuk Mametova, and 6,077,747,000 tenge to provide social support for invalids and others who served in the Great Patriotic War.

Article 39. To provide, in connection with celebration of the 150th birthday of Abay Kunanbayev, republic budget appropriations in the amount of 824.250 million tenge.

Article 40. To provide republic budget appropriations in the amount of 142.800 million tenge, to compensate banks for losses related to previously afforded interest-free loans to young spouses upon the birth of a child, in accordance with the Kazakhstan Republic Law on Youth Policy in the Kazakhstan Republic.

Article 41. To stipulate appropriations in the republic budget for the financing of scientific endeavor in the

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amount of 2,651,146,000 tenge, including 655.836 million tenge for the National Academy of Sciences and 526.736 million tenge for the Kazakh Academy of Agricultural Sciences.

Article 42. To establish that republic budget appropriations in the amount of 13,283,082,000 tenge are stipulated for maintaining the organs of state power, state government, judicial organs, and the procuracy.

The Cabinet of Ministers of the Kazakhstan Republic shall approve the specific distribution of budget outlays by ministry and department within one month.

Article 43. To approve the following republic budget appropriations:
—14,835,979,000 tenge to maintain the law enforcement organs;
—18,946,450,000 tenge for defense;
—346.003 million tenge for the conduct of elections;
—1,135,608,000 tenge for other expenditures.

Article 44. To approve the Reserve Fund of the Kazakhstan Republic Cabinet of Ministers within the republic budget, in the amount of 2,524,348,000 tenge, including 1,172,000,000 tenge for the financing of emergency situations.

Article 45. To stipulate appropriations in the republic budget in the amount of 12,146,179,000 tenge for the purchase of foreign currency to finance expenditures related to foreign economic activity in the following spheres:
—interest payments on the foreign debt, including expenditures to fulfill the government's guarantee obligations in this regard;
—dues to international organizations;
—payments for maintenance of embassies;
—payments for maintenance of CIS executive organs;
—payments to meet other urgent needs of the republic.

To direct the funds obtained through a 20 percent strength reduction in staff at presently existing embassies and representations towards the expenditures for maintaining new embassies and representations in 1995.

Article 46. The National Bank of the Kazakhstan Republic shall ensure that the following amounts are credited to the accounts of appropriate budgets in accordance with the norms prescribed by this edict and applicable decrees of deputy assemblies:
—tax on profits of enterprises, associations, and organizations, regardless of form of ownership, including foreign and joint enterprises;
—value-added tax;
—excise taxes;
—fixed payments (rents);
—income tax from Kazakhstan Republic citizens, foreign citizens, and stateless persons.

Article 47. To establish that in 1995, the National Bank of the Kazakhstan Republic shall afford credits to the Kazakhstan Republic Ministry of Finance for covering the republic budget deficit at the refinancing rate of the National Bank of the Kazakhstan Republic, and shall use the deposits and balances of funds in accounts of the Kazakhstan Republic Ministry of Finance, proceeding from market interest rates, in accordance with an agreement concluded with the Kazakhstan Republic Ministry of Finance.

Article 48. To take into account the fact that funds in the amount of 9,022,449,000 tenge are envisaged within the revenues and outlays of the republic budget for the servicing of directive credits extended to management entities, as funds arrive from them to pay off these credits.

Article 49. To determine that the following comprise sources for covering the republic budget deficit in 1995:
—foreign loan proceeds in the amount of 45,928,496,000 tenge;
—credit resources of the National Bank of the Kazakhstan Republic in the amount of 8.625 billion tenge;
—main-portion proceeds in paying off the internal debt, from the results of intra-republic clearing, in the amount of 7,681,155,000 tenge.

The Kazakhstan Republic Ministry of Finance, jointly with the National Bank of the Kazakhstan Republic, shall effect the auction sale of state short-term treasury notes, and shall direct the resulting difference of 500 million tenge towards covering the budget deficit.

Article 50. Expenditures shall be effected from external and internal sources of financing to pay off the following:
—the main portion of the state foreign debt, in the amount of 7,641,022,000 tenge;
—delinquent indebtedness with respect to 1993 loans of the National Bank of the Kazakhstan Republic, for the shortage of working capital of management entities, in the amount of 100 million tenge;
—fixed-period negotiable promissory notes of the Kazakhstan Republic Ministry of Finance, from the results of intra-republic, reciprocal-indebtedness clearing, in the amount of 13,911,180,000 tenge;
—the 1992 State Internal Premium Bond distributed among the population (for redemption of treasury bonds by the populace), in the amount of 900 million tenge.

Article 51. To stipulate appropriations in the republic budget for the payment of:
—interest with respect to servicing the Kazakhstan Republic state internal debt, in the amount of 2.1 billion tenge, and interest on credits afforded for the 1995 republic budget deficit, in the amount of 1.5 billion tenge;
—interest on fixed-period negotiable promissory notes of the Kazakhstan Republic Ministry of Finance drawn up according to the results of intra-republic, reciprocal-indebtedness clearing, in the amount of 424.030 million tenge.

Article 52. To direct funds for paying off the state internal debt as follows:

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—to the National Bank of the Kazakhstan Republic, within the limits of its actual profit, 800 million tenge, including 100 million tenge from 1994 profits and 700 million tenge from 1995 profits;
—to the Kazakhstan Republic Ministry of Finance, 3.9 billion tenge, received from the National Bank of the Kazakhstan Republic from payment for government deposits.

To take into account the fact that the republic budget stipulates outlays to the Rehabilitation Bank of the Kazakhstan Republic in the amount of 7 billion tenge, including 3 billion tenge through credits of the National Bank of the Kazakhstan Republic.

Article 53. To stipulate republic budget appropriations in the amount of 3.490 million tenge for effecting interest and principal payments on the 1992 Kazakhstan Republic State Loan, distributed among juridical persons;

Article 54. In order to reorganize (rehabilitate) agricultural enterprises and the credit institutions which service them, and to effect the financing of special-purpose measures for agriculture—to institute the State Fund for Financial Support to Agriculture.

To establish that, in order to accomplish the above-mentioned functions, budget appropriations are made to the State Fund for Financial Support to Agriculture in amounts approved in the budget for the appropriate year; funds from the privatization of agricultural enterprises and from other sources are also directed to this end.

Procedure for the crediting of funds to the State Fund for Financial Support to Agriculture and procedure for the use of these funds are determined by the Cabinet of Ministers of the Kazakhstan Republic.

Article 55. To record with the state internal debt of the Kazakhstan Republic Ministry of Finance, indebtedness to the National Bank of the Kazakhstan Republic totalling 19,277,633,000 tenge, of which:
—credit towards the 1994 republic budget deficit amount to 4,873,500,000 tenge;
—the state internal debt of prior years amounts to 965.080 million tenge;
—interest on credits afforded by the National Bank of the Kazakhstan Republic for settlement completions in the intra- republic, reciprocal-indebtedness clearing of enterprises and organizations amounts to 4,135,622,000 tenge;
—the principal debt and interest on currency credits afforded by the National Bank of the Kazakhstan Republic in 1994 amounts to 3,775,880,000 tenge;
—the principal debt and interest on directive credits uncleared in timely fashion by enterprises, for which guarantees of the Kazakhstan Republic Ministry of Finance were issued, amounts to 5,477,551,000 tenge.

The Kazakhstan Republic Ministry of Finance shall conclude an appropriate agreement with the National Bank of the Kazakhstan Republic, and shall effect in 1995 the quarterly servicing of the state internal debt at a 10 percent annual interest rate.

To authorize the Kazakhstan Republic Ministry of Finance to accept within the state internal debt, during the course of 1995, the indebtedness of management entities for which there are no repayment guarantees, establishing a limit for it in this regard in the amount of 7 billion tenge (on the principal debt).

To acknowledge as part of the state internal debt losses suffered by the populace with respect to deposits in Kazsberbank (People's Bank of the Kazakhstan Republic) as of 1 January 1992, exclusive of the 1995 budget.

Article 56. To establish that for purposes of taxation, balance profit is reduced by the total of positive exchange-rate differences (increased by the total of negative exchange-rate differences) resulting from changes in tenge exchange rates with respect to foreign currencies quoted by the National Bank of the Kazakhstan Republic, which are in effect as of the date of receipt of currency assets to the currency account of an enterprise (or as of the date of the latest tally), and from changes in tenge exchange rates with respect to foreign currencies quoted by the National Bank of the Kazakhstan Republic as of the date the enterprise determines its taxable profit for budget settlement operations.

Article 57. This edict enters into force 1 January 1995.

[Signed] President of the Kazakhstan Republic N. Nazarbayev

Almaty, 15 March 1995

Aimbetov on Extent of Theft in Enterprises

954F1911A Almaty PANORAMA in Russian No 12, 25 Mar 95 p 2

[Interview with Seytsultan Aimbetov, chairman of the State Committee for Financial Control, by PANORAMA correspondent Karlygash Yezhenova; place and date not given: "Seytsultan Aimbetov: At Some Enterprises Theft Is So Great That It No Longer Fits Into the Criminal Process Code"]

[FBIS Translated Text] [Yezhenova] It is no secret for anyone that the Gosfinkontrol [State Committee for Financial Control] is in a somewhat ambiguous situation—its sphere of authority is still not legally defined. Why is this so?

[Aimbetov] It is true; at first glance, taking the Gosfinkontrol out of the Ministry of Finance system in 1992 and giving it an independent status, as well as the right to audit economic entities "regardless of forms of ownership and type of activity," which was formalized in the presidential edict on Gosfinkontrol, was supposed to ensure for us an even more authoritative status than that of our predecessor—the Control and Audit Administration. Problems began, however, when this point was

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removed from the statute on the Gosfinkontrol, drafted on the basis of the edict, since, as you can imagine, not too many people would be happy with it.

Since then, for more than two years we have been pounding in the point that we need a law defining our authority. It looks as if the draft law on state financial oversight, which we have drafted and submitted to the Supreme Council's Control Chamber, as well as two other draft laws, are not going to be considered any time soon, although today, in the environment of a transition period, the problem of financial oversight has not only economic but also internal political significance. The Gosfinkontrol report for last year is rather eloquent evidence that the state budget remains the main source of theft, and this is the taxpayers' money.

By the way, speaking of overseeing targeted use of budget means: The abuse uncovered by Gosfinkontrol staff amounted to more than 420 million tenge [T], including theft of T282 million in monetary funds and material valuables. In addition, we uncovered T1.26 billion in undeclared income. Thus, we returned T610 million to the budget. (By the way, over the whole time of its existence, expenses on maintenance of our staff amounted to T150 million. That is, we fully earn our keep).

According to the law enforcement organs' data, the amounts involved in theft at many enterprises are so great that they no longer fit into the Criminal Process Code, even in the "especially large theft" category; and that is keeping in mind that we have audited less than a quarter of enterprises in the republic.

[Yezhenova] It is obvious that not too many people want strict financial oversight these days; nevertheless, you are one of the few people who have managed to keep their job for quite a long time—by current standards. By what criteria do you select a particular enterprise for an audit? Does this not mean that your audits are sanctioned by someone and, as a consequence, despite all-out nonrepayment of budget means, we still have not witnessed any major financial scandals?

[Aimbetov] I do not think that the amounts presented in our report are insignificant. Judge for yourself: 41 percent of the losses we uncovered constitute embezzlement by heads of these enterprises. And, of course, financial interests of high-ranking bureaucrats are involved. At the same time, I am against across-the-board accusations and believe that in each concrete case concrete facts are needed, so I promise you a series of financial scandals.

On the other hand, I have been able to hold on to my job for so long also because the Gosfinkontrol is working, and it is working honestly and professionally.

As to whether the list is sanctioned, I can tell you with full justification that neither the president nor the Cabinet of Ministers give us instruction whom to audit. Decisions of these matters are made on the basis of completely different principles. There is a problem of nonpayments, and the Gosfinkontrol must actively participate in solving it. We put together the list of enterprises to audit completely independently, in keeping with the plan drafted by Gosfinkontrol, as well as on the basis of recommendations from the tax inspectorate and law enforcement organs. By the way, during all these years we have not received a single recommendation from the tax inspectorate—unlike law enforcement organs, whose tips almost always turn out to be well-founded.

[Yezhenova] How legal in this case are audits of commercial structures?

[Aimbetov] This matter also is tied into the legal definition of our authority. Nevertheless, we believe that it is necessary to audit commercial structures, since they too accumulate the same state funds and National Bank's credits. As I already mentioned, the statute on the Gosfinkontrol has a point in keeping with which we must oversee expenditure of budget funds, but then we encounter the objection that this is an administrative act that does not have sufficient legal force.

You have to realize here that this is not our whim. Audit materials show that commercial entities also have to be audited. As a rule, a multitude of small middleman enterprises is set up around giant enterprises. We were working on a decree on closing small middleman enterprises and incentives for producers. The prime minister, aware of what this was about, supported the decree, but it is still making rounds in agencies.

[Yezhenova] Unless I am mistaken, at the latest Gosfinkontrol collegium KNB [State Security Committee], representatives brought up the issue that it is necessary to audit joint enterprises. One would assume, however, that your opponents will say that this will scare off investors.

[Aimbetov] I am convinced that audits of joint enterprises will not scare off investors: On the contrary, it will attract them to Kazakhstan—if investment is indeed their goal. Any investor needs a guarantee that his money will be used as intended. The same may be said, by the way, about foreign credits—nobody is thinking yet about their repayment, but we have all the reasons to believe that there will be quite serious problems with repayment.

[Yezhenova] In this case, the anti-trust legislation will surely have question for you.

[Aimbetov] Questions already arise, but you have to keep in mind that the Gosfinkontrol [GFK] is not the only oversight structure; besides, we do not produce anything. Abuse is possible in our system, but so far not a single instance of bribe-taking has been uncovered. Besides, we select our personnel rather carefully. People who come to the GFK are honest and professional; their work involves endless trips and risk. Last year an auditor was killed during the audit of the PO [industrial association] Balkhashmed, and there are reasons to believe that the motive surely was not of a personal nature.

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Another GFK staff member was beaten up for audit materials; there have been precedents of apartment arson. I, too, get telephone calls of a certain content.

[Yezhenova] The Gosfinkontrol report also says that at the MVD [Ministry of Internal Affairs] and procuracy level the materials sent there for a follow-up either are not worked on altogether or work is done very slowly. Do you think this too is the result of pressure on law enforcement organs?

[Aimbetov] Generally, we have good contact with both the MVD and the procuracy. As to the fact that the materials we send are slow in moving through, this is the result of the immense volume of work and the fact that as a rule, investigators do not know all the nuances of financial oversight. In this connection, we propose to establish a certain scale, and up to a certain level of amounts involved in the theft to conduct our own inquiry. The procuracy has no objections against this.

Overall, the Gosfinkontrol policy is aimed at cultivating respect for authority, in other words, forming an unblemished reputation for the state, which is impossible without strict and well-organized financial oversight.

Kyrgyzstan

Akayev Addresses Parliament on Economic Reform

LD3103081195 Moscow ITAR-TASS in English 0757 GMT 31 Mar 95

[By ITAR-TASS correspondent Boris Maynayev]

[FBIS Transcribed Text] Bishkek March 31 TASS—Kyrgyz President Askar Akayev in a state-of-the-nation address to the parliament today said the people's national dignity and hard work would propel the country towards propserity.

The president sound optimistic because, he said, the Republic's financial system had been strengthened, the production slump ended and the economy as a whole began to show signs of growth last year.

However, the president said, the privatisation drive had slowed down and the agrarian and land reform were impermissibly sluggish.

Akayev vowed that Kyrgyzstan would not backtrack from its drive for democracy and market reforms.

For the reforms to gain momentum, the president proposed adopting a tax code and changing the country's taxation legislation, leaving only the land, water and value added taxes intact.

Akayev said the country urgently needed a special law to fight corruption.

Supreme Council Elects Deputy Speakers in Secret Ballot

LD3103085695 Bishkek Kyrgyz Radio First Program Network in Kyrgyz 0813 GMT 31 Mar 95

[FBIS Translated Text] Here is a report of progress at the third day of work of the Supreme Council by our parliamentary correspondent Irys Osmonaliyeva.

[Osmonaliyeva] The latest information at the moment. At its morning session today the Legislative Assembly elected two deputy speakers of the chamber. There were four names on the secret ballot papers: Artykov, Usenov, Jangaracheva, and Pronenko. At the end of the voting two candidates - Daniyar Usenov and Aleftina Pronenko - gained the largest number of votes, and they have become deputy speakers of the Legislative Assembly.

Election of Osh Regional Council Leader Invalid

LD3003153995 Osh EKHO OSHA in Russian 25 Mar 95 p 1

[FBIS Translated Text] According to a resolution of Osh Regional Council of 4 March 1995 electing the chairman of Osh Regional council, Bekmamat Osmonov, deputy of No. 31 Kara-Bulak constituency, was elected chairman of the Regional Council.

The above ruling is illegal and is subject to annulment on the following basis.

Article 19 of the Law on Local Government and Local State Administration of the Kyrgyz Republic states: "The chairmen of regional councils and of Bishkek city council are to be elected from the ranks of deputies by secret ballot for the council's term of office."

"A candidate who wins more than half the votes of the total number of deputies is considered to have been elected."

Thirty deputies were elected to Osh Regional Council. Twenty-nine deputies were present at the session held to elect the council's chairman on 4 March, and 29 took part in the vote.

According to the protocol of the commission on counting the votes, 15 deputies voted in favor and 14 deputies against Bekmamat Osmonov, while 13 deputies voted in favor and 16 deputies against B. Toychiev. Neither candidate nominated won a majority of the deputies' votes.

The election of the chairman of the regional council is not valid. On the basis of the above information, and guided by Article 17 of the Law on the Prosecutor's Office of the Kyrgyz Republic, I hereby request that:

—The resolution of the Osh Regional Council of 4 March 1995 on electing the chairman of the regional council be annulled.

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—The protest in accordance with Paragraph 2 of Article 17 of the Law on the Prosecutor's Office of the Kyrgyz Republic be subject to consideration within 10 days from the day it was received.

[Signed] Prosecutor of Osh Region, Zh. Mukashev.

Tajikistan

Joint Russian, Tajik, Uzbek Military Exercise Ends

LD3003180695 Dushanbe KHOVAR in Russian 1029 GMT 30 Mar 95

[FBIS Translated Text] On 29 March, joint Russian-Uzbek-Tajik tactical exercises with combat maneuvers took place in the south of Tajikistan. They involved subdivisions of the Russian 201st Motorized Rifle Division, the 30th Separate Motorized Fighting Battalion of the Defense Ministry of Uzbekistan, and the Reinforced Motorized Company of the First Motorized Rifle Brigade of the Defense Ministry of Tajikistan, as well as Russian border guards. The total number of participants was 1,500 military servicemen.

In a one-sided training combat exercise lasting an hour, 60 pieces of armored equipment, 22 modern military planes, 18 helicopters, and tens of artillery pieces and mortar installations were used.

The idea behind the military maneuvers was that "very large enemy forces, breaking through the Commonwealth borders, penetrated deep into the territory of Tajikistan. Russian border guards and Tajikistan Army units carried out forward action to prevent the enemy armed groups from breaking through into the depths of the territory of the republic. In the course of the fighting, the enemy was defeated and retreated to its base camp. The subdivisions of the collective peacekeeping forces were set the task of repulsing this group."

The military fulfilled the task set. These exercises showed well-coordinated interaction between infantry and airborne divisions, and displayed harmonious combined actions and a readiness to accomplish the task set under any conditions.

President of Tajikistan Emomali Rakhmanov visited the district where the military exercises took place and observed them. At the end of the maneuvers the leader of Tajikistan remarked on the complete fighting preparedness of the subdivisions of the collective peacekeeping forces, and stressed that the southern boundaries of the Commonwealth are "under lock and key." According to him, these exercises provided instruction and experience for the Tajik Armed Forces.

Colonel General Vladimir Semenov, the commander in chief of Russia's Ground Forces, praised the performance of the subdivisions that took part.

The highlight of the military exercises was an "air battle" demonstration. Military pilots displayed great skill in piloting the modern military helicopters and planes. The "Russian Knights" pilots in SU low-altitude attack planes arrived from an air base near Moscow and left a memorable impression.

The presentation of awards to a large group of servicemen was the culmination of the military exercises. Medals and gifts were presented to soldiers for having carried out their military service, and officers received early promotion to the next rank.

After this ceremony, President of Tajikistan Emomali Rakhmanov conversed briefly with the servicemen who took part in the military exercises.

Abdumajid Dostiyev, first deputy chairman of the Supreme Council of the republic, First Deputy Prime Minister Mahmadsaid Ubaydullayev, the heads of a number of embassies and missions accredited in Tajikistan, and military commanders from the Ministries of Defense of Russia, Uzbekistan, and Tajikistan also observed the military exercises.

Russian Border Guards Under Fire From Afghanistan

LD3103091595 Moscow ITAR-TASS in English 0826 GMT 31 Mar 95

[By ITAR-TASS correspondent Galina Gridneva]

[FBIS Transcribed Text] Dushanbe March 31 TASS—The tenth and 12th posts of the Pyandzh frontiers guards unit came under fire from Afghan territory at five p.m. and nine p.m. local time on March 30. ITAR-TASS learnt this from the press group of the Russian frontier guards command in Tajikistan. The 12th frontier guards post was fired at from mortars.

Russian frontier guards supressed enemy fire. There were no Russian casualties. A spokesman for the commander of the Russian frontier guards troops in Tajikistan deplored the fact that armed provocations against Russian frontier guards continue and become more intensive with the onset of spring as commandos of irreconcilable Tajik opposition try to penetrate the border.

Opposition Quits Committee Over Russian Army Activities

LD3003161695 Tehran IRNA in English 1300 GMT 30 Mar 95

[FBIS Transcribed Text] Dushanbe, March 30, IRNA—The Islamic Movement of Tajikistan on Thursday withdrew its representatives in the joint committee for monitoring ceasefire in protest to ceasefire violations by Russian troops deployed in Tajikistan.

Head of the opposition members in the committee overseeing the ceasefire agreement, Zafar Rakhmanov, told IRNA that the Russian Army has deployed fresh forces in areas south of Tajikistan in the past few weeks.

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Russian troops have stepped up their military activities against Tajik dissidents, he added.

Russian forces do not respect the ceasefire agreement signed in Tehran between the Dushanbe government and the opposition, Rakhmanov said.

He described air and ground exercises by the Russian Army on Wednesday as clear violation of ceasefire in Tajikistan. Russians do not favour peace and stability in Tajikistan, he added.

Russian forces, along with forces from four Central Asian Republics of Tajikistan, Kyrgyzstan, Uzbekistan and Kazakhstan held an extensive exercise which was also watched by Tajik leader.

The joint military exercise was held in the southern Shaartuz region, south of Tajikistan, some 40 kilometres from Afghanistan border.

Commander-in-chief of the Russian Ground Forces, Colonel-General Vladimir Semenov who is in Tajikistan to oversee the exercises said the purpose of the maneuver is to show the power of the Russian troops to the Tajik Islamic opposition militants who are in the Afghan territory.

Recent Actions of Shodmon Yusuf Assessed

954F1947A Moscow NEZAVISIMAYA GAZETA in Russian 25 Mar 95 p 2

[Oleg Panfilov report: "Shodmon Yusuf Continues To Call Himself Leader of the Democratic Party: True, He Did Not Go to Dushanbe but Returned to Tehran"]

[FBIS Translated Text] The republic news media disseminated on 21 March the latest statement of Shodmon Yusuf, who by a decision of a special congress of the Democratic Party of Tajikistan held last December in Almaty was barred from discharging the duties of chairman (in his previous statement, which ITAR-TASS transmitted on 29 December of last year, Shodmon Yusuf had termed the congress "illegitimate, not according to regulations, and illegal"). His last statement, on the other hand, says, in part: "In the civil war in Tajikistan all are to blame. Many mistakes have been made. Enough mistakes! Enough war! No good comes of it. We need to unite. We need to recognize Russia as a great power.... We must be together with Russia." Having paid tribute to the "older brother," Shodmon Yusuf attempted to place the emphases apropos his present position also: He considers himself, as before, chairman of the Democratic Party, unceremoniously warning that "henceforward no one may speak on behalf of the Democratic Party unless he has the appropriate permission. We must cooperate with the Government of Tajikistan and must assume part of the blame for what has happened in the republic."

He made this statement, by all accounts, in Tehran, to which he returned from Moscow at the start of March, not having visited Dushanbe. He was in the Russian capital for more than a month, conducting several meetings with his associates here. One of them, Azam Afzalov, even flew home in order to determine on the spot who might still support Shodmon Yusuf. But neither in Dushanbe nor in Khudzhand did he find sufficient support, and the authorities have simply taken no in any way appreciable steps in order that the Democratic Party might be legalized following the official ban on its activity at the start of 1993 (it should be noted that, having found himself together with other leaders of the opposition among the political exiles in Tehran, Shodmon Yusuf has basically "sat it out," making his presence known by statements in which he has termed the Dushanbe regime blood-stained). At the same time, on the other hand, many members have begun to leave the party, mostly those who were forced to flee to Afghanistan. Even in the best years the Democratic Party was not distinguished by large numbers: In his recent statements Shodmon Yusuf has cited the number of 25,000 members, but, as the emigre democrats say, there were no more than 10,000 of them in 1992 even, and there are now 2,500-3,000, a large number of whom are outside of Tajikistan. The collective statement on the withdrawal from the party of the leaders of three district organizations—the Vanch, Kumsangir, and Kuybyshev districts—which they wrote immediately following Shodmon Yusuf's first comment on support for Emomali Rakhmonov, was a blow to Shodmon Yusuf. As Professor Abdunabi Sattorzoda, chairman of the organizing committee for the preparation of an organizational congress of the Democratic Party, maintains, Shodmon Yusuf has no support in the largest regional party organizations in Leninabad Oblast and Dushanbe.

Nonetheless, the vigorous activity of Shodmon Yusuf continues either from habit or at someone's instigation. True, it cannot be ruled out that he is, as before, evaluating the situation merely as he would like it to be, not as it is in actual fact. Shodmon Yusuf's statements that the Democratic Party is pulling out of the opposition is nothing more than a bluff inasmuch as members of the party—Professor Sattorzoda and Khudoberdy Khaliknazarov, former minister of foreign affairs—have been part of the opposition delegation since the first round of inter-Tajik negotiations. They will be joined in the fourth round, in addition, by Asliddin Sokhibnazarov, who ran for vice president of Tajikistan (on a ticket with Davlat Khudonazarov) at the 1991 elections. There are also three members of the Democratic Party among the delegation's experts.

Shodmon Yusuf's active propaganda campaign is, in fact, aimed primarily at persuading politicians and observers that the members of the opposition are exclusively "Islamists." And this is to the benefit of both Russian diplomats and the Dushanbe regime.

While the ex-chairman is calling for cooperation with the government, the border guards are disseminating reports of numerous violations of the border, Dushanbe has been without gas for several days, and the bread interruptions

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have resumed. A bus driver, Khusrav Akimbekov, a native of Badakhshan, who had believed the authorities' assurances that highlanders would no longer be persecuted, was killed in Dushanbe on 21 March. According to a report of the NEGA Agency, officers of the 201st Russian Division brought to the settlement of the Rogun Hydropower Plant construction workers, Sari-Bulak, their three-day ration totaling R6 million inasmuch as the construction workers, representatives of the Russian community, and veterans of the Great Patriotic War receive 60-120 grams of bread each per day.

Uzbekistan

Karimov Sees Alternative to CIS as 'Untenable'

LD3003132495 Moscow Voice of Russia World Service in English 1100 GMT 30 Mar 95

[FBIS Transcribed Text] Uzbek President Islam Karimov is convinced that the CIS hasn't exhausted its possibilities and that any alternative to the CIS was absolutely untenable. He expressed the opinion at a meeting in Tashkent with diplomats and foreign journalists accredited in Uzbekistan. Speaking on ties with Russia, President Karimov said that he looked at that great power as an important strategic partner.

Karimov Comments on Ties With Moldova

LD3003140395 Tashkent Radio Tashkent Network in Uzbek 0600 GMT 30 Mar 95

[FBIS Translated Excerpt] Uzbekistan President Islam Karimov left on an official visit to Kishinev today, at the invitation of Moldovan President Mircea Snegur.

Our correspondent Ghofir Jamolov was at Tashkent airport for the departure ceremony. Here he is to tell us about it.

[Jamolov] [passage omitted] The president of our country gave an interview to journalists before he left. Among other things he said:

[Begin Karimov recording] The independent state of Moldova is a country located on the western border of the former Soviet Union. This country and nation is familiar to Uzbekistan because during the former Soviet period it had good relations with Uzbekistan, and our economic and cultural relations underwent all-round development. Latterly, in the last three to four years, these relations were disrupted. I think everyone knows the reasons. In our opinion, however, there should be good relations with Moldova.

In our opinion Moldova is pinning high hopes on our intention to resume Uzbekistan's former relations, to guarantee work for our enterprises, to establish all-round political, economic, and cultural ties—and this suits Uzbekistan well in all ways. So the purpose of our visit is to resume disrupted links and to establish new links with that country. [end recording] [passage omitted]

Karimov: Referendum Results Reflect Confidence in Reform

LD3003134495 Tashkent Uzbekistan Television in Russian 1600 GMT 29 Mar 95

[FBIS Translated Excerpt] President Islam Karimov met heads of diplomatic missions operating in our country and representatives of the mass media today. [passage omitted]

[Unidentified correspondent] Among other things, President Karimov said:

[Begin Karimov recording] The results of the referendum fully reflect the people's attitude to the course which Uzbekistan has chosen as its path of reform.

I know that many people sitting here, and not only here, forecast and expected the results. A total of 99.3 percent of the population, of the electorate, took part in the referendum. What does 99.3 percent of the participants of the referendum mean? It means our population's political activity is very high. According to the preliminary data, no less than 99 percent of all participants agreed to prolong the president's term of office from 1997 to 2000.

I regard the referendum results as a mandate of confidence, a mandate of confidence in the president and the government, and in the course that is being pursued in the republic. I regard the referendum results as being the the faith and confidence of our society and people in their own future. [end recording]

Central Election Commission Confirms Karimov's Mandate

LD3003183195 Moscow INTERFAX in English 1522 GMT 30 Mar 95

[From the "Presidential Bulletin" feature: compiled by Nikolay Zherebtsov, Andrey Petrovskiy; edited by Vladimir Shishlin]

[FBIS Transcribed Text] The central election commission [CEC] in Tashkent has handed President Islam Karimov a certificate to confirm the extension of his mandate until the year 2000 following a nationwide referendum last Sunday.

IF Note: 99.6 percent of 11 million eligible voters taking part in the poll approved the extension of Karimov's mandate from 1997 until 2000.

The CEC said the referendum held at 7,257 polling stations at home and 25 stations at Uzbek missions in other countries was conducted "in full compliance with the law".

Speaking at the handover ceremony, Karimov said the people had voted "for peace and stability, further reforms and our social and economic policy."

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He praised the nation for stamina and hard work in the face of economic hardships saying it was his sacred duty to justify its expectations.

At a meeting with foreign diplomats and journalists on Wednesday, the president described the voting results as an indication of the correctness of government policy aimed at consolidating the state and national prosperity.

He said that in spite of widespread criticism, the poll was conducted strictly according to the law and standards set as reaffirmed by international observers. Karimov said he would ask parliament to qualify the three year extension of his powers he won at the referendum as his second term of office. He ruled out any disagreement over his request.

The president stressed that the referendum results would allow the government to complete the country's political reform as quickly as possible ruling out any friction and setting conditions for the second stage of economic reforms.

On the diplomatic front, he stressed the need for the country's participation in international agencies such as the Untied Nations or the Organization of European Security and Cooperation. All of this is expected to help towards the country's early breakthrough into the international arena and greater participation in international decision making.

And he called for regionalism as a way of global approaches to international issues.

Karimov said his country was engaged in active cooperation with countries of differing social or political systems. He spoke of dynamic relations with advanced European states such as Germany, France, Britain, Austria and Holland and a renewal of the long running contacts with Eastern Europe.

On relations with the United States, the president spoke of considering it as a leading player in the international arena having a huge potential in maintaining global and regional security. He said the political dialogue with Washington was gathering momentum to open up new opportunities of constructive cooperation in other vital areas including military technologies.

Karimov stressed that the country's geopolitical standing prompted the need for closer contacts with neighboring states and greater regional security as the main condition for cooperation in that part of Asia. He said Tashkent was keen to promote relations with countries such as India, Pakistan and Iran and see an early end and normalization in Afghanistan.

At the same time, the president said the promotion of relations with other countries did not amount to distancing "ourselves from the CIS which has no alternative.". And he called for passing from word to deed given the organization's potentials which must be brought out in full. In this connection, the president pledged Tashkent's commitment to join the three-nation customs union including Russia, Belarus and Kazakhstan.

Although the Uzbek leader is supportive of closer cooperation on a multilateral and bilateral basis, he is opposed to any supranational structures - political, economic or military. That explains why Tashkent has refused to endorse the agreement on a uniform command of the CIS frontier troops or support the idea of a Eurasian union.

But the president was unequivocal in his support for cooperation with Russia which is by far the largest CIS power acting as "a guarantor of stability in Central Asia".

On the current wrangle over the privatization scheme for Russia's Ostankino TV company, Karimov said "nothing good will come out if it" adding his country may well disrupt the deal with that company in favor of Russian television programs intended for members of the Russian-speaking communities of Uzbekistan.

On a similar referendum in Kazakhstan intended to extend President Nursultan Nazarbayev's powers, the Uzbek leader said he would personally vote for Nazarbayev if allowed to so. Karimov spoke of his country's interest in a stable Kazakhstan and described the Kazakh president as a seasoned politician.

He censured some of the journalists posted in Uzbekistan who focus much too often on the seamy side but refrain from highlighting positive changes going on in Uzbekistan.

Siemens Opens Office in Tashkent

LD3103103495 Tashkent Radio Mashal in Uzbek 1000 GMT 30 Mar 95

[FBIS Translated Excerpt] Uzbekistan and Germany—new aspects of cooperation. Our correspondent Zamira Tojiyeva tells us about this:

[Tojiyeva] [passage omitted] Today, a representative office of the Siemens joint-stock association was opened in Tashkent. A news conference for mass media journalists was held on this occasion. The news conference was chaired by Dr. Volker Jung, a member of the central management of the joint-stock association. He spoke about the activities of the Siemens company, and reported the following information in particular:

[Jung in German fading into Uzbek report] The opening of our representative office in Tashkent is the logical result of the political and economic reforms being conducted in your country, Mr. Volker Jung began. Mr. Klaus Dieter Sharkh will head the center in Tashkent. This center will represent companies subject to Siemens, e.g., a computer company in the city of Dresden, and the Turkish branch in the city of Istanbul.

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The decision to open the representative office was approved during the visit of Dr. Heinrich von Perer, the chairman of the Siemens management, to Uzbekistan in July 1994. [passage omitted]

The implementation of telecommunications, energy, and railway projects requires long-term work. That is why we have come to your country with the hope of long-term cooperation. In future, we are going to pay attention to modernizing medical technology and the information sphere and to cooperating with you in these fields.

We have brought a contract on trade and almost 30 documents on joint projects as well. I think we will visit the organizations that deal with these spheres and we are going to handle these projects with them.

I would like to say one more thing: that the Siemens joint-stock association will strengthen its ties with other independent republics in Central Asia through its representative office in Uzbekistan. I think that this cooperation will be of important significance for Uzbekistan, Dr. Volker Jung, member of the central management of the Siemens joint-stock association, said in conclusion.

Dr. Volker Jung and Klaus Dieter Sharkh, manager of the representative office in Tashkent, answered questions of interest to the journalists. Today members of the delegation were received at the ministries of communications, energy, and public health of the republic as well.

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Armenia

Joint Armenian-Russian Military Exercise Begins

NC3003191895 Yerevan Radio Yerevan International Service in Armenian 1800 GMT 30 Mar 95

[FBIS Translated Text] The joint Armenian-Russian military exercises began at Armavir military camp today. Defensive battles, counter-attacks and other tactics are being tried out during the exercises.

A motorized infantry regiment, a tank battalion, artillery and Zenith rocket regiments, and other military services are taking part in the military games on the Russian side. The Armenian forces are composed of a motorized infantry regiment, combat and transportation helicopters, and military aircraft.

More than 1,500 soldiers are taking part in the military exercises. The character of the exercises are not offensive and are not directed against any third country.

Joint Exercises 'No Show of Strength'

LD3003164595 Moscow INTERFAX in English 1248 GMT 30 Mar 95

[FBIS Transcribed Text] YEREVAN, Mar 30 (Interfax)—The joint Russian-Armenian military exercises, another round of which took place in Armavir District in Armenia 40 kilometers off Yerevan, "are no show of strength for some third country," the deputy commander of Russian troops deployed in Trans-Caucasus Lieutenant-General Pavel Labutin told Interfax.

The character of the exercises was not offensive, he noted. However they showed that Armenian and Russian servicemen can "deal tangible counter-attacks, not only defend themselves effectively."

"We shall be able to perform our duty in a military situation, if need be," Labutin said.

The general assessed the training degree of the necessary military structures and the level of understanding between the commanders and personnel of the Russian and Armenian armies as high.

The joint exercises were conducted by the commander of Russian troops deployed in Trans-Caucasus Lieutenant-General Fedor Reut. Participants in them practised elements of defensive fighting.

On the Russian side the exercises involved a motorized infantry regiment, an air-defense and an artillery regiment, a tank battalion, reconnaissance teams, field engineers, signallers and rear services. On the Armenian side they included a motorized infantry regiment, a squadron of helicopter gunships and transport helicopters, and a squadron of combat planes. The exercises involved about 1,500 soldiers.

President Levon Ter-Petrosyan was among the observers.

Militaries Appeal to CIS Troops

LD3103074595 Moscow ITAR-TASS in English 0702 GMT 31 Mar 95

[By ITAR-TASS correspondent Tigran Liloyan]

[FBIS Transcribed Text] Yerevan, March 31 TASS—Participants in the first joint Russian-Armenian military exercises have appealed to the servicemen of the Armed Forces of the Commonwealth of Independent States and veterans of World War II "to preserve and multiply the frontline fraternity and the combat experience of the war-years triumphs".

The appeal says the exercises which ended in Armenia on Thursday were the first joint action within the framework of the CIS collective security system on its southern frontiers.

In the course of the exercises, Russian and Armenian troops accomplished tasks together, thus not only upgrading their combat skills but also laying down the foundation for military fraternity, combat interaction of the two armies, and building confidence and mutual understanding in handling common defence assignments, the appeal said.

Brothers-in-arms, the peoples of our countries must see their armies as the defenders of our respective states and dependable guardians of their security and independence , as well as a firm basis for further rapprochement and integration in all spheres, the appeal said.

Participants in the joint exercises called on the entire personnel of the Armed Forces of the CIS member-countries to mark the 50th anniversary of the victory in World War II with distinguished service, diligent training, and excellent performance of their military duty.

Nagorno-Karabakh Wants Full Representation in OSCE Talks

NC3003200995 Yerevan SNARK in English 1218 GMT 30 Mar 95

[FBIS Transcribed Text] Stepanakert, March 30 (SNARK)—Any serious political document cannot be signed, until the NKR [Nagorno-Karabakh Republic] status at all stages of the negotiation process concerning the conflict settlement, including the OSCE Minsk Conference, are clarified, Arkadi Ghukasyan, the NKR Foreign Minister, stated to journalists today in Stepanakert. According to him, the key problem on the negotiation format was discussed with representatives of the OSCE Minsk Conference Co-Chairmen, Vladimir Kazimirov and Anders Bjorner, during their last meeting in Yerevan. Unfortunately, they could not visit Stepanakert due to poor flying weather.

Ghukasyan noted that the March 24, 1992 decision of the CSCE Cabinet of Ministers, where NKR is recorde

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only as a party concerned, seriously hinders the negotiation process. The decision must be revised because it does not correspond with the essence of the conflict and the real situation. The Minister reminded that the CSCE Budapest Summit decisions neutralized the three-year-old document. During the Budapest, December, 1992 meeting of CSCE State Heads, the problem of the negotiations format was seriously changed. NKR received a higher status by being called a conflicting party. Furthermore, an OSCE Minsk Conference Co-Chairmen Institution was formed which had not been stipulated by the March 24, 1992, decision.

Ghukasyan stressed that these conditions demand adopting another document in order to consolidate the Budapest summit decisions concerning the NKR status in the negotiation process, including the supposed OSCE Minsk Conference. Vladimir Kazimirov, Anders Bjorner and other members of the Minsk group were informed about this in Yerevan.

Zurabyan Comments on Budget, Adoption of Constitution

NC3103041895 Yerevan NOYAN TAPAN in English 1457 GMT 30 Mar 95

[FBIS Transcribed Text] 30/03/95 NOYAN TAPAN—"We all have come to be witnesses of Supreme Council's adopting resolutions which carry great importance for Armenia. A Constitutional law, which provides for deep rooting of democracy in our country and creates bases for establishment of a stable and efficient democratic society has been adopted", the Acting President's Press Secretary Levon Zurabyan said during a March 29 briefing. He pointed out to one of the resolutions passed by the Supreme Council, namely, a resolution on adoption of the Constitution by referendum.

According to Zurabyan, the problem with adoption of the Constitution has been resolved at last and "we have an exclusive opportunity to adopt the Constitution already this year", the Constitution, in compliance with which the democratic republic in Armenia will become a political reality.

The other important resolution, according to Zurabyan, was the adoption of a number of articles of the law on elections. "The new law, which is much better than the old one and which stimulates formation of multiparty system, does not lead to abrupt changes, providing for consistency of political system and smooth transition to the new order of elections."

Also the unanimous adoption of the state budget for 1995 and a program for social and economic development is of great significance. We welcome the victory of parliament's collective intellect and those political powers, which displayed political courage and "in the name of state interests made concessions". The only political bloc, which disagreed with the rest on these principal issues was the Alliance of National Accord.

Zurabyan did not exclude the possibility of holding referendum simultaneously with the parliamentary elections, however, the relevant decision should be adopted by the Parliament.

As is known the deputy of the Supreme Council Albert Baghdasaryan announced that the results of the voting of the Constitutional law were rigged. Commenting on this allegation, Zurabyan said: "I would advise the opposition to take its defeat manly".

Democrats Say Draft Constitution Unacceptable

NC3003145395 Yerevan NOYAN TAPAN in English 1644 GMT 29 Mar 95

[FBIS Transcribed Text] 29/03/95 NOYAN TAPAN—On March 28, during the session of the Democratic Party of Armenia it was announced that the draft Constitution, which is to be brought to referendum is unacceptable for the Armenian people. It was also said during the session that the Armenian authorities are gradually suppressing the resistance of the Armenian people.

It was pointed out that "on the path to the establishment of the statehood Armenian people is also doomed to bear the burden of autocracy, which the majority of developing countries have to go through."

Azerbaijan

Russia-Turkey Collusion in Chechnya, Northern Iraq

NC3103042695 Baku TURAN in English 1137 GMT 30 Mar 95

["Are Chechen War and Turkish Army Operation on North of Iraq Connected With Each Other?"—TURAN headline]

[FBIS Transcribed Text] Baku (March 30) TURAN—The issue on division of the Caspian oil was settled, while the issue concerning the ways of its shipment to the world market is yet to be settled. There are two variants here: through the North-Caucasian region of Russia or through the eastern region of Turkey.

In the first variant the most serious obstacle is Chechnya, in the second—Kurdish separatists. The control over the Chechen territory will give Russia the opportunity to lay the oil pipeline from Baku to Novorossiysk. Several experts say that such "unexpected" Chechen war is connected with the oil issue.

At the same time in 1990 the leader of the Kurdish separatists, Abdulah Ocalan, said that Kurds will not let laying of the oil pipeline from Azerbaijan through the eastern regions Turkey, which he called Kurdistan.

The operation of the Turkish Army on the north of Iraq and in the eastern regions of Turkey has for an aim to annihilate basic military and training Kurdish bases,

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that will allow Ankara to create favourable conditions for laying of the oil pipeline through these territories to the Mediterranean coast.

Let's recall that a month ago the Director of Russia's Federal counter-espionage service, Sergey Stepashin [name as received], suddenly visited Ankara and met with the leaders of Turkish special service and Turkey's President Demirel. Under several Russian sources, Moscow and Ankara are in full agreement that Turkey will not interfere in the Chechen events while Russia will turn the blind eye to the suppression of the Kurdish movement by Ankara. The indirect acknowledgement of this information is that Russia's Foreign Ministry expressed understanding with Turkey's activities on the north of Iraq and Ankara understands the genocide of Chechens by the Russian army.

Illegal Azerbaijani Units in Georgia

954F1919A Yerevan RESPUBLIKA ARMENIYA in Russian 25 Mar 95 p 1

[NOYAN TAPAN report: "Azeri Fighters Have Assembled in Georgia"]

[FBIS Translated Text] According to a report of the IBERIA Agency, illegal armed formations of Azerbaijan have for several days been mustering in certain areas of Kakhetia. They crossed to the territory of Georgia from Azerbaijan after having taken part in the attempted coup d'etat. The ministries of internal affairs of Georgia and Azerbaijan are engaged in joint activities to put a stop to their operations.

German Diplomat on Visit, Karabakh's Status

NC3103042495 Yerevan SNARK in English 1331 GMT 30 Mar 95

[FBIS Transcribed Text] Baku, March 30 (SNARK-TURAN)— During the March 29 press conference in Germany Embassy, Doctor Ernst von Strudnitz [name as received], Deputy Director of the Germany Political Department on East and South Europe, reported the results of his visit to Azerbaijan.

According to him, Germany and Azerbaijan are preparing to sign a joint statement to promote the cooperation between the two countries.

Doctor Ernst von Strudnitz informed journalists about his meetings with Azeri Foreign Minister Hasanov and the Parliament Speaker Guliyev. He met leaders of opposition organizations and parties as well.

Issues related to economic reforms in Azerbaijan and the NKR [Nagorno-Karabakh Republic] conflict were discussed in Baku. Germany supports the territorial integrity of Azerbaijan, however, Karabakh should be more autonomous. Otherwise peaceful solution of the conflict is impossible. The Diplomat also added until the role of peace-keeping forces in Karabakh is cleared up, the Germany Defence Minister will not agree the country's troops to participate in the peacekeeping process. Human rights are not always observed in Azerbaijan, marked Mr. Strudnitz.

Increased Security Imposed on Foreign Travelers

NC3003202495 Baku TURAN in English 1432 GMT 30 Mar 95

[FBIS Transcribed Text] Baku (March 30) TURAN— From now on foreigners who arrive in Azerbaijan for business trip, long or short period business, training, setting up the economic, scientific or cultural relations are to appeal to police passport control 48 hours to the Department of Visas and Passports in the Head Police Department of Baku. This rule is applied also to foreigners who arrive in Baku on private invitations and is not applied concern the CIS citizens.

Such a decree was issued today by a commandant of the Baku Chief of the Head City Police Department (HCPD) Colonel Maherram Aliyev. Head of the Passport and Visas Department in the HCPD Sub-Colonel Fahraddin Aliyev said that decree was based on the laws of Azerbaijan Republic on the internal and external travel and on passports. "People who infringe the checking in the HCPD will be brought to trial," said he.

According to him, new rule is applied to foreigners which will stay in hotels as in that case they will certainly be checked. It is necessary for foreigners who stay at private homes and they have to pay for this 10 dollars. According to Fakhraddin Aliyev that measure is necessary for the improving the criminal situation in Baku and in the country.

U.S. Ambassador Meets Independent Newspaper Editors

NC3003205295 Baku TURAN in English 1133 GMT 30 Mar 95

[FBIS Transcribed Text] Baku (March 29) TURAN— Today editors of six independent and opposition newspapers met with the U.S. Ambassador. According to Head of the press-service of the Embassy Donald Coffman the meeting took place at the request of the editors. They discussed the problems in the Azeri press. The Ambassador said that the U.S. support the freedom of speech and the press which are the basis of democracy.

On the eve 14 editors of the independent and opposition newspapers adopted appeal in which they stated about three kinds of censorship existing in Azerbaijan and about the pressure on the press by the authorities. They asked the heads of the diplomatic missions in Baku to support the freedom of speech and the press in Azerbaijan.

Deputies Protest Growing Censorship of Media

NC3103042995 Baku TURAN in English 1449 GMT 30 Mar 95

[FBIS Transcribed Text] Baku (March 30) TURAN—A group of deputies of the Democratic Opposition sent a

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letter to the Speaker of the parliament Rasul Guliyev. The letter reads that infringing the legislation, the functions of the military censorship are carried out by the employees of the Special Department at the Presidential Office. The deputies note also that the employees of the Special Department are fulfilling the instruction by their authorities and, in fact, is the political censorship which is not provided by the law on the mass media in Azerbaijan. "The actions by censorship have bring about the stop of issue of many newspapers," note the deputies.

Extradition of Alleged Rebellion Leaders Requested

MK3103111095 Moscow NEZAVISIMAYA GAZETA in Russian 31 Mar 95 p 2

[Report by Aydyn Mekhtiyev under the "Azerbaijan" rubric: "Investigation Into the Rebellion Case Continues. Baku Asks Moscow To Hand Over Mutalibov and His Accomplices"]

[FBIS Translated Text] The republic prosecutor's office continues to investigate the events in connection with the attempted state coup. According to Eldar Gasanov, republic general prosecutor, "the chain of events that started on 2 October 1994, when the special-purpose police detachment (OPON) seized the republic prosecutor's office building, and ended on 17 March of this year, is being investigated." It has become known that a criminal case has been initiated in connection with these events, in accordance with Article 57 of the republic's Criminal Code (use of the republic's armed forces to overthrow the constitutional system). At the special session of the republic's parliament devoted to the attempted state coup, some interesting facts were given. Acting National Security Minister Namik Abbasov spoke about the involvement of foreign special services in this attempt. According to him, on the very eve of the rebellion, Rovshan Javadov—OPON head—had a secret meeting with Adil Gadzhiyev, a representative of ex-President Ayaz Mutalibov. Elchin Amiraslanov, OPON Kazakh unit commander, received $1 million to stage a coup in Kazakh. In Abbasov's words, "the People's Front and the Labor Party were maintaining constant communication with the rebels, and, during meetings with Rovshan Javadov, representatives of these parties spoke about the possible return to power of Ayaz Mutalibov or Abulfaz Elchibey." On suspicion of purchasing arms for the rebels, 33 commercial structures, 76 private persons, and 46 officials are under investigation. According to the investigators, the main financial sponsors of the rebels were Makhmud Mamedov, chairman of the Party of Free Entrepreneurs; and Jakhangir Muslimzade, a parliament deputy. Preliminary investigation also suggested the involvement of the "Civic Union," the leaders of which—Ayaz Mutalibov and Suret Guseynov—are presently in Moscow.

The parliament has sent a petition to the Russian State Duma asking "to hand over to Azerbaijan's law-enforcement organs Ayaz Mutalibov, Suret Guseynov, Alikram Gumbatov, and Rakhim Gaziyev as persons who have committed a state crime and are in hiding on Russian territory."

Meanwhile, Ayaz Mutalibov and Suret Guseynov made a statement in connection with accusations of being involved in the attempted coup on 17 March 1995. They totally rejected these accusations and urged President Geydar Aliyev "to give up staging state coups and to turn to the policy of national reconciliation for the sake of the motherland." As is known, in accordance with the document signed by the Azerbaijani and Russian justice ministers, Moscow and Baku have undertaken mutual obligations to assist each other in extraditing persons under investigation to the law-enforcement organs of both countries. This notwithstanding, until now, the Azerbaijani leadership has failed to convince Moscow of the necessity of extraditing the "Civic Union" leaders to official Baku.

Regional Chief, 12 Participants in 1994 Coup Imprisoned

NC3003204695 Baku Azerbaycan Radio Televiziyasi Television Network in Azeri 1855 GMT 30 Mar 95

[Statement by the press service of the Office of Prosecutor of the Republic of Azerbaijan; place and date not given—read by announcer]

[FBIS Translated Text] During the criminal investigation into the events of 4 October 1994 and the coup attempt in Ganja, it has been established that Memmed Jelaloglu Elekberov, head of the executive administration of Samukh region, entered into criminal relations with and assisted the rebels that were threatening our republic's sovereignty and independence and expressed his readiness to meet all their demands.

A considerable amount of firearms and other combat equipment were found and seized during a police search of the homes of Memmed Elekberov and his brother Neriman Elekberov. Criminal proceedings were instituted against Memmed Elekberov in connection with the aforesaid crime and he was sent to prison.

The republic's Prosecutor's Office declares that it will be uncompromising to any lawless acts directed against our independent republic's statehood by citizens, regardless of their posts and positions, and will take serious measures against them.

The criminal investigation into the attempt by military and civilian persons in Mingechaur on 5 October 1994 to forcibly seize power unconstitutionally has been completed and was today sent to the Supreme Court for examination. Twelve persons accused of committing grave crimes against the state were found guilty and imprisoned.

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Opposition, Media Accused of Backing OPON

NC3003211595 Baku TURAN in English 1137 GMT 30 Mar 95

[FBIS Transcribed Text] Baku (March 30) TURAN—Today the official organ of the Supreme Soviet, "AZERBAYCAN" newspaper published somewhat the report about the events on March 13-17 and the reaction of the political organizations and different leaders on these events.

This article, which takes the whole second paper of the newspaper assures that besides the OPON [Special Purpose Police Detachment] the basic culprits of the events are the opposition, independent mass media, which took "anti-governmental and hostile position". The authors of the article also assure that "independent television and radio companies like ANS, BMTI, SARA and GUNAI do not support the current regime and their programs exceed the level of those of the State television and radio company. That is why people listen and watch independent television and radio channels. This way, the population is forming incorrect political opinion and position".

The former State Secretary, Lala Hajiyeva, as well as Independent Confederation of Azerbaijan's trade union are also the enemies of the current regime.

The attempts of the political forces of the country to become the mediators in the settlement of the conflict between the OPON and the authorities and demands to discuss this issue by the Milli Mejlis are considered by the Presidential press-service as "persuasion of group interests".

The article mentions that the only organ, which published objective and operative materials about the events, was "AZERBAYCAN" newspaper.

The article is ended in the following phrase: "Due to foresight, self-control, resoluteness and political courage of President Aliyev, devotion of the army and police to the state and fortitude of the whole Azeri nation, the mutiny was suppressed. The democracy and justice were again the triumphants".

National Assembly Session on Coup

954F1920A Baku AZERBAYDZHAN in Russian 25 Mar 95 p 3

[Editorial under the rubric "Parliament": "A Coup Attempt: This Was the National Assembly's Appraisal of the 13-17 March Events"]

[FBIS Translated Text] The foiled state coup attempt was the subject of discussion in the National Assembly on 22 March.

Aslan Abasov, head of the parliamentary commission on legal policy, read out a joint statement of the procuracy, the MVD [Ministry of Internal Affairs], MNB [Ministry of National Security], and MO [Ministry of Defense], in which it was noted that internal and external enemies of the independent Azerbaijani state had once again attempted, with the help of OPON [Special Purpose Police Detachments], a state coup that failed in October 1994.

The document emphasizes that the coup began on 13 March with the seizure of state authority buildings by OPON personnel in Gazakhskiy and Agstafinskiy Rayons. Then part of the OPON, lead by R. Dzhavadov and disbanded by MVD order, using the OPON base in the "eighth kilometer" settlement in the city of Baku, openly called for an armed overthrow of authority. At 0200 on 17 March, says the document, an OPON group attempted to make its way to the center of the city through government forces' roadblocks. As a result of government troops' resistance, the advance was halted, and by noon the rebels were neutralized. In the morning, during an attempt to break through the encirclement, R. Dzhavadov was wounded, and on the way to the hospital died of blood loss. In the end of the operation, says the document, 226 persons were arrested, among whom are former OPON personnel, Boz Gurd members, and other criminal elements. The bodies of 10 dead rebels, 22 government troops soldiers, and six civilians were brought to medical facilities. Medical aid was provided for 67 wounded, including seven former OPON personnel and 60 government troops soldiers.

The common point in the statements of enforcement ministries' heads is the emphasis on foreign special services' involvement in the latest events. In particular, the name of Farman Damirkol, a Supreme Council expert and a citizen of Turkey, was mentioned several times. Also, according to acting Minister of National Security N. Abbasov (his appointment was confirmed at this session), there is no doubt of A. Mutalibov's and S. Guseynov's involvement in the events. In N. Abbasov's opinion, these persons are supported by special services of foreign states. He also emphasized that events did not develop spontaneously. "Everything went according to a scenario," the MNB head noted. He said that one of the leaders of the events in Gazakhskiy Rayon, OPON officer E. Amiraslanov, had received $1 million to finance the operation.

N. Abbasov reported that he has operational information on secret meetings between the NFA [National Front of Azerbaijan] and representatives of diplomatic missions with the purpose of securing support of their states in the event of seizing power. The MNB head expressed regret that certain circles in the Russian Federation by supporting S. Guseynov and A. Mutalibov hampered the development of good-neighbor relations.

N. Abbasov also said that he has information regarding involvement in the state coup of a number of high-ranking persons and promised to make their names public within three to five months.

Probably the only persons who expressed reservations in their supporting the authorities' actions were opposition deputies. For instance, in M. Fattayev's opinion,

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peaceful means of conflict resolution had not been not fully exhausted. He also rejected accusations that the NFA had behind-the-scenes ties with the rebels.

The general atmosphere, however, showed unconditional support for the authorities' actions in foiling the state coup attempt, which was clear from the remarks by deputies A. Omarov, G. Guliyev, A. Abbasov, M. Efendiyev, T. Kamalov, S. Mamedov. I. Nadirov, and others.

Touching upon the causes of the events, E. Mamedov pointed out that until parliamentary elections are held, a constitution adopted, and the mechanism of succession of authority defined, the probability of violent attempts to seize power remains high. E. Mamedov also proposed to set the date for elections, tentatively suggesting October 1995.

Commenting on E. Mamedov's statement, the speaker said that elections could even be held a month earlier—in September. The head of the parliament believes that in order to do this, work should be speeded up on the draft law on elections and that it should be ready by 10 April.

According to R. Guliyev, there already is a preliminary agreement with UN Secretary General B.B.-Ghali on measures to ensure democratic elections. The latter promised aid: sending observers and providing technical aid.

"It is necessary also to adopt the constitution," noted R. Guliyev in particular. In the parliament speaker's opinion, the main obstacle on the road to a democratic state is the existence of illegal armed formations. "As long as such formations exist," believes R. Guliyev, "we cannot hope for democracy and a proper election process."

As a result of the discussion, the parliament adopted a decree on foiling state coup attempts in the Azerbaijani Republic and measures of strengthening Azerbaijani statehood. The document appraises the March events as a continuation of the state coup attempt of 2-4 October, which was carried out by brothers Rovshan and Makhir Dzhavadov, Elchin Amiraslanov, and others. it also mentions the instigators: R. Gaziyev, A. Mutalibov, S. Guseynov, as well as some NFA figures and the Boz Gurd party. The document endorses all measures taken by the authorities, including use of the armed forces, aimed at suppressing the state coup attempt. The Ministry of Justice and the Ministry of Information are instructed to take measures within the boundaries of the current law with respect to political parties, public organizations, and the mass media one way or the other involved in the attempt to overthrow the constitutional system. The document particularly emphasizes the need for merciless suppression of illegal armed formations. The concluding point of the decree notes the need to appeal to the Russian Federation Federal Assembly with the request to assist, in keeping with the inter-state agreement on legal mutual aid, in extraditing persons guilty of crimes to the republic's law enforcement agencies.

* * *

On 18 March the National Assembly consented to bringing criminal charges against, and effecting the arrest of, Iskender Gamidov, people's deputy of Azerbaijan and Boz Gurd party leader.

The procuracy request, dated 24 March 1994 and signed by the former general procurator A. Omarov, was read out by Deputy General Procurator Khanlar Veliyev. The document says that on 24 February 1993 junior lieutenant Orudzhev, officer of the MVD Anti-Terrorism and Anti-Banditism Directorate, killed in the Absheron hotel citizen Mamedov, but thanks to the patronage of the then MVD chief I. Gamidov remained free and on 3 May of the same year once again committed a murder. In addition, on 27 March 1993 I. Gamidov, in reply to a publication critical of him in the ISTIGLAL newspaper, insulted and subjected to beating this newspaper's editor in chief and editorial staff member Zardusht Alizade and Tairov. I. Gamidov also is charged with illegally releasing from correctional facilities a large number of convicts with the purpose of sending them into the military operations area. Kh. Veliyev reported that investigative organs are currently looking into I. Gamidov's use of $400,000, at the time appropriated for the MVD by the Cabinet of Ministers.

Karabakh Parliamentary Elections Set

954F1919B Yerevan VREMYA in Russian 25 Mar 95 p 1

[NOYAN TAPAN report: "Nomination of Candidates for Deputy of the Supreme Council of Nagorno-Karabakh Has Begun"]

[FBIS Translated Text] On 14 February 1995 the Supreme Council of the NKR [Nagorno-Karabakh Republic] adopted a decree on special elections of people's deputies to the Supreme Council of the Nagorno-Karabakh Republic. As announced in an interview with a correspondent of the NOYAN TAPAN Agency, Musheg Ogandzhanyan, chairman of the Central Election Commission, the nomination of candidates for people's deputy of the NKR, which will end on 10 April, has already begun. According to the law of the NKR on elections of people's deputies of the NKR, 33 election districts, instead of 31, and as many district election commissions and 162 electoral precincts with a similar number of precinct election commissions have been formed on the territory of the republic. The future parliament of the republic is to be permanent and professional, and the members of the new parliament are, together with other powers, to undertake the elaboration, adoption, and supervision of the adoption of the republic's laws. As the chairman of the Central Election Commission observed, according to the new election law, the president of the NKR, the chairman of the government and his deputies, and members of the government and their deputies, justices, prosecutors, and

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arbiters may not simultaneously be members of parliament. Persons who have resided and worked on the territory of the NKR at least two years shall be nominated as candidate for people's deputy. At the end of the interview, M. Ogandzhanyan expressed his fundamental position as regards the fact that worthy and professional people be elected to the new parliament and that there be no repetition of the crude mistake of the last parliament, when among the 75 deputies there was not a single woman, "whereas women constitute at least half of our artistic intelligentsia. We must show that the people of Karabakh are so confident of their future and the victory of their just cause that they can even under martial law find the time to hold elections to a new permanent parliament," he concluded.

Georgia

Defense Minister on Russian-Georgian Military Agreement

LD3003182195 Tbilisi SAKINFORM in Russian 1536 GMT 30 Mar 95

[FBIS Translated Text] [No dateline as received]—Georgian Defense Minister Vardiko Nadibaidze has told a GEORGIAN INFORMATION AGENCY correspondent that, despite the opposition's protest, the Georgian-Russian agreement on military cooperation initialled in Tbilisi must be signed by the heads of the two states, because the agreement envisages the interests of both sides, in particular, Georgian Armed Forces will receive the most recent weapons.

Abkhazia Must Sign Agreement on Russian Base in Gadauta

LD3003192295 Moscow ITAR-TASS in English 1744 GMT 30 Mar 95

[By ITAR-TASS correspondent Irina Shchyogoleva]

[FBIS Transcribed Text] Sochi March 30 TASS—We are grateful to Russia for promoting the preservation of peace in the region, however, the agreement on the stationing of the Russian military base in Gudauta (Abkhazia) must have also been signed by representatives of Abkhazia.

This was stated by President Vladislav Ardzinba of Abkhazia at a meeting in Sukhumi when he commented on the recent agreements on the Russian military bases on the Georgian territory reached between Georgian leader Eduard Shevardnadze and Russian Defense Minister Pavel Grachev.

At the same time Vladislav Ardzinba backed up the idea of the Russian military base located in Gudauta, a spokesman for the Abkhazian news agency told ITAR-TASS.

Touching on mutual relations between Georgia and Abkhazia, Vladislav Ardzinba noted that all problems should be resolved at the negotiating table on the basis of compromises and mutual concessions.

"There are all necessary conditions for the continuation of such a dialogue. They have been created by Russia's peacemaking forces which have been fulfilling their duty in the complex situation seeking to prevent the resumption of war, and create conditions for the return of refugees," the Abkhazian leader pointed out.

Speaking on the role of the United Nations, the Organization for Security and Cooperation in Europe (OSCE) and other international organizations in the settlement of the Georgian-Abkhazian conflict, Vladislav Ardzinba complained that the leadership of Abkhazia "up to now does not feel from their side a serious analysis of the armed conflict."

Iranian Agriculture Minister Holds Talks in Tbilisi

LD3003212295 Tehran IRNA in English 2012 GMT 30 Mar 95

[FBIS Transcribed Text] Moscow, March 31, IRNA—Iran's agriculture minister 'Isa Kalantari in Tbilisi Thursday [30 March] reviewed with Georgian Prime Minister Otar Pasatsia outlooks of agriculture and animal husbandry cooperation between Iran and the Republic of Georgia. The Georgian prime minister said his visit to Tehran and his talks with the Iranian Government officials earlier on had been very fruitful. He said Tbilisi was willing and ready to broaden cooperation with Iran in every area.

The Iranian agriculture minister, 'Isa Kalantari, said Iran and Georgia shared potential capability for joint cooperation in many agriculture-related projects such producing tea, grains, cattle and poultry.

On Thursday, the visiting agriculture minister of Iran also visited various agro-studies centers and agro-research institutions in Georgia.

Abkhaz Council Appeals to Turkey Not To Hold Congress

LD3103091895 Tbilisi Radio Tbilisi Network in Georgian 0700 GMT 31 Mar 95

[FBIS Translated Text] Here is a statement by the Supreme Council of the Autonomous Republic of Abkhazia:

As has been reported by the mass media sources, a world congress of Abkhaz people is expected to be held in May 1995 in Turkey. The separatist regime, which has recently spread in many countries of the world, brings bloodshed, tragedy, and devastation to people. Many civilians, including those in Abkhazia, have fallen victim to militants and their chiefs, who get support from criminal elements. Over 300,000 people have been forced from their homeland. The genocide of Georgian people has been condemned by the world public. Active measures taken by the leaderships of Georgia and the

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Autonomous Republic of Abkhazia to restore Georgia's territorial integrity have met with severe opposition from the separatists.

The Supreme Council of the Autonomous Republic of Abkhazia expresses the hope that Turkey, which recognizes Georgia's territorial integrity and condemns aggressive separatism, will not allow the Abkhaz separatists to use the noble purpose of the congress against the interests of sovereign Georgia.

Shevardnadze Meets German Aviation Company Head

LD2903164995 Tbilisi Radio Tbilisi Network in Georgian 1400 GMT 29 Mar 95

[FBIS Translated Text] Today, 29 March, Eduard Shevardnadze, the chairman of the Georgian parliament and head of state, received the president of Germania Flug, [Dr. Henrich] Bischoff, who briefed the head of state with his company's activities and its plans for future.

Germania Flug is one of the large airway companies which owns 12 Boeing-737 aircraft.

Bischoff noted that Georgia was becoming a stable country, and conditions for normal work were beginning to become available. He made a decision to cooperate with Orbi Airlines [Georgian air company] and assist it in training specialists.

For his part, Eduard Shevardnadze said that it was possible to revive tourism in Georgia and added he hoped Georgia would become a highly-developed transit country.

Decree Issued on Settlement of Abkhaz Conflict

LD2903171395 Tbilisi CONTACT INFORMATION AGENCY in Russian 1247 GMT 29 Mar 95

[FBIS Translated Text] Tbilisi—Eduard Shevardnadze, head of the Georgian state, today issued a decree on implementing the program of measures for the political settlement of the Abkhaz conflict, the return of refugees and the forcibly removed population, as well as for improving their social conditions.

Parliament Ratifies Friendship Agreement With France

LD3003181695 Tbilisi SAKINFORM in Russian 1536 GMT 30 Mar 95

[FBIS Translated Text] [No dateline as received]—The Georgian Supreme Council has ratified the Agreement on Mutual Understanding, Friendship, and Cooperation between the Republic of France and the Republic of Georgia.

The agreement was signed by the heads of the two states during an official visit to Paris by Eduard Shevardnadze.

Interior Minister Notes 'Complex' Terrorist Situation

LD3103083595 Tbilisi Radio Tbilisi Network in Georgian 0700 GMT 31 Mar 95

[FBIS Translated Text] Georgian Interior Minister Lieutenant General Shota Kviraia yesterday held a session. Present at the session were: members of the Interior Ministry's operational services and the Department of Investigation; heads of the internal troops and the Tbilisi Directorate of Internal Affairs; as well as heads of the Tbilisi police departments.

The minister summed up the criminal situation in the republic and noted that despite some improvements, the criminal situation still remains complex, which is reflected in the current terrorist acts and assassinations in various regions of the republic, especially in Tbilisi.

Article Claims Court 'Fabricated' Gamsakhurdia Case

AU3103110395 Tbilisi TAVISUPALI SAKARTVELO in Georgian 24-30 Mar 95 p 4

[Nino Chechelashvili report: "Political Prisoners Are To Be Shot According to the Law on a State of War"]

[FBIS Translated Excerpt] The Chikovani Street court case has ended and sentences have been passed. However, public opinion, both here and abroad, has expressed its mistrust in the court and this situation compels the interested departments to prove at all costs the version fabricated by them. To this extent, it is clear that the two press conferences held in the Supreme Court and the Procurator's Office following the pronouncement of the sentences were aimed at influencing the public in their favor. However, in reality, in spite of the active propaganda broadcast by the "Matsne" news program, the opposite has occurred.

A feeling of dissatisfaction had already been aroused by the fact that the answers given by M. Dolidze [judge in the Chikovani Street court case] and [Deputy Prosecutor General] A. Baluashvili, to all intents and purposes, did not coincide in a number of instances. For example, the judge essentially failed to provide any sound argument to explain the fact that the death sentence did not conform to relevant articles in the 1921 Constitution [currently in force] apart from providing some unverified information according to which a decree had been adopted on the suspension of this norm in the Constitution on 11 June and not 17 June 1992, which was immediately refuted. A. Baluashvili turned out to be more prepared for this question and stated that constitutional norms could not be suspended by any decree and, therefore, it was of no real importance when this decision was adopted. He said: "In special cases, capital punishment is allowed under Article 43 of the 1921 Constitution."

This article states: "During an insurrection or time of war, Parliament has the right to suspend temporarily on

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the whole territory of the republic or on a part of it the guarantees of those rights that are defined in the following articles: 19, 22, 25. If Parliament is not in session, the government can assume responsibility and suspend the aforementioned guarantees, only it has to convene Parliament immediately and submit its decree."

Article 19 of this Constitution states that "capital punishment has been abolished."

In response to the aforementioned, it should be pointed out that, on 13 June 1992 or on the day that the explosion occurred in Chikovani Street, there was no war or insurrection in Georgia (and if there was, this should be admitted and assessed accordingly!) not to mention the possibility of convening Parliament as, at that time, neither Parliament nor any other legitimate power existed apart from the Supreme Council, the successor to the Military Council.

At the same time, the use of the Law on a State of War even in an emergency situation is a juridical nonsense and has no parallel in international practice.

Both press conferences show that the investigators and the judge are interested in covering up facts of torture of the prisoners and their testimonies as well as those of other witnesses. It is to be supposed that this evidence contained material that was undesirable in the eyes of officials and possibly presented a new version of the crime and perhaps new names as well. Consequently, certain evidence disappeared completely from the case or was not discussed in court. M. Dolidze, A. Baluashvili, and K. Koberidze [state prosecutor in Chikovani Street case] all state that, on 14 August 1992, Z. Tsiklauri did not give any evidence at all and there does not exist any evidence [purportedly] given by Z. Gogichashvili on 14 October the same year. At the same time, it is well known to everyone that, during the evening of 13 August, Z. Tsiklauri "accidentally poured boiling tea down his back" and did indeed present evidence of this to investigators from the Information and Intelligence Service the following day as, at that time, this department was dealing with the case. At the time, even members of the Supreme Council did not conceal this fact, but no one wants to recall this now.

Evidence given during the first stage of the investigation has likewise been forgotten or devalued. For example, the deputy procurator general failed to recall that not one but three witnesses could prove the existence of the suspicious red Zhiguli car. One of these is Mr. Bichiashvili who, at the time of the explosion, was driving along Chikovani Street and received bodily injuries as a result. He also does not explain why the investigation and the court ignored the evidence of a number of witnesses according to which there had been not one but two explosions that had been followed almost immediately by automatic gunfire.

The journalists were not supplied with an answer to this question by the procurator and it seems all this will soon be explained as collective auditory hallucinations on the part of the witnesses.

He likewise failed to mention the fact that the armed persons seen near J. Ioseliani's house the day before were not members of the National-Democratic Party guard whereas it was precisely Ioseliani's guard that had expressed doubts about this. It was not explained whether the investigation had tried to find out who the owners of the white Mercedes and "Gaz-24" were as well as the identity of the stranger with the beard who had been seen by a number of witnesses near the red Zaporozhets car. It was such "absentmindedness" on the part of the investigation that gave grounds for the lawyers to claim that the case had not been investigated and other plausible versions had not been studied. It is significant that a part of this evidence had been given at the time when the case was being investigated by the Information and Intelligence Service. The question naturally arises whether this department had discovered some facts that the Procurator's Office wished to cover up.

One's doubts are further reinforced by the fact that, during the court investigation, quite a few witnesses were not questioned and the judicial board did not bother to ensure their appearance. [passage omitted]

All this leads one to suspect that both the investigation and the trial were biased and, consequently, the most authoritative international organizations are demanding that the case be investigated anew and a fair trial be held. However, Shevardnadze's servants of the law have prepared their response to this: According to them, these organizations represent the interested party.

Procurator Office Denies Violations

AU3103105395 Tbilisi TAVISUPALI SAKARTVELO in Georgian 24-30 Mar 95 p 4

[Ana Chavchavadze report: "'We Do Not Intend To Justify Ourselves,' States Anzor Baluashvili"]

[FBIS Translated Excerpt] On 16 March a press conference was held in the republic's Procurator's Office in connection with the end of the trial of the "case of Gamsakhurdia and his supporters." First Deputy Procurator General Anzor Baluashvili, head of the group investigating this case, Kakha Koberidze, head of the Department for Supervising the Legality of Court Acts of the Republic's Procurator's Office, state prosecutor in the "Chikovani Street" court case, and Gulbat Besiashvili and Eldar Topchiev, investigators into particularly important cases, appeared before the journalists. They were later joined by Davit Jinjoladze, investigator and specialist in the "Qvareli case." [passage omitted]

According to A. Baluashvili, information disseminated about the torturing of the prisoners does not correspond to the truth and these statements were made, for the most part, during the course of the trial by the accused in order to avoid the charges and also by their lawyers who did not lodge such complaints during the preliminary investigation and, generally speaking, such information is being spread only by interested persons. In this regard,

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he also mentioned international human rights organizations (Human Rights Watch/Helsinki, Amnesty International) whose representatives are not familiar with the case and have not met with the investigative group.

A. Baluashvili believes that the investigation and trial had proceeded in accordance with the strict observance of the law, all the prisoners had the lawyers of their choice from the outset, their rights regarding their defense had not been violated, no pressure had been exerted upon them, there had been no violations of the law, and so forth. "The prisoners did not lodge a single complaint about the violation of their rights during the preliminary investigation. Is it really possible that they were afraid at the time and so kept quiet and now are no longer afraid?!," said the deputy procurator general in a surprised tone. [passage omitted]

Baluashvili explained to those present that the concept of the presumption of innocence is incorrectly understood in our society as, in international terms, it only means that no one can be pronounced guilty and punished without a trial. In his view, this does not prevent the investigator from considering this or that person guilty of committing the crime and making the corresponding statement. Proceeding from this, A. Baluashvili does not view the statements made in December 1992 or at the press conference held in Moscow eight months before the end of the preliminary investigation as constituting a violation of the presumption of innocence and proof of their guilt. In this case, the deputy procurator general failed to explain why the investigation lasted a further eight months (as the case was brought to court only in August 1993) and why it took the court one year and nine months to reach its verdict.

As is known, the case of the explosion in Chikovani Street was initially filed by the Information and Intelligence Service [precursor to the State Security Service] and it was passed to the Procurator's Office only on 16 September 1992. In spite of this, Irakli Dokvadze had been interrogated before then by employees from the Procurator's Office, which is forbidden by law. A. Baluashvili explained this as follows: "I. Dokvadze had been arrested in the Qvareli forest and we did not know that he had also been charged in connection with the Chikovani Street case. Our investigators questioned him precisely in connection with the episode in Qvareli forest. A number of people were charged with both crimes and, therefore, the case was passed to the Procurator's Office, specifically our group."

What is surprising is the readiness with which the Procurator's Office handed I. Dokvadze over to the former KGB and the fact that evidence obtained during the first stage of the investigation or before the case was passed to the Procurator's Office—for example, the testimonies of J. Ioseliani's guardsmen and a number of witnesses—was either totally withdrawn from the case or ignored by the investigation and court. Asked how they would assess this fact, Deputy Procurator General A. Baluashvili and Senior Judge K. Koberidze, who are directly responsible for overseeing the legality of court acts, stated that the journalists were only partially informed about the details of the case and, as such, had formed the wrong impression. He did not deny that one member of Ioseliani's guard had indeed seen a red Zhiguli car from which a man, lying on the seat, had been firing from a machine gun. However, this had occurred close to the television department building and quite some time after the explosion when they had been returning from a "Mkhedrioni" meeting. Likewise on the previous day, armed persons spotted near Ioseliani's house turned out to be members of the National-Democratic Party guard. [passage omitted]

Regarding the investigation into the death of Vakhtang Goksadze [whom the opposition had claimed had been tortured to death while in police custody], A. Baluashvili stated that he had learned about this too late. An autopsy had been carried out in Qvareli and heart failure had been declared to be the cause of death; he is ready to investigate this fact but the family refuses to allow the body to be exhumed. When asked about the death of Revaz Brodzeli, representatives of the Procurator's Office completely ignored this. [passage omitted]

However, the prosecutors believe that the rights of the accused had not been not restricted; on the contrary, they had hampered the court, insulted the judge, violated the law, and so forth.

Finally, representatives from the Procurator's Office expressed their readiness to acquaint interested journalists with materials from the investigation as the trial had ended and there were no longer any secrets. Following the conversation that took place among the journalists, it became clear that several of them would probably take advantage of this opportunity in the near future.

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Estonia

EU, Baltic Countries Sign Agreement on Statistics

LD3003164795 Tallinn Estonian Television Network in Estonian 1500 GMT 30 Mar 95

[FBIS Translated Excerpt] Leaders of the European Union's Statistical Office and the Baltic countries' statistical departments signed a joint declaration in Tallinn today. Under the declaration, the activity of Estonian, Latvian, and Lithuanian statistics departments must be in line with European countries' statistical methods.

[Unidentified correspondent] An agreement has been concluded for three years. Under the agreement, Baltic statistical departments are obliged to apply modern measures so as to establish their statistical system based on impartiality, reliability, professionalism, and comprehension. [passage omitted]

The decalaration states that all retraining involved will be financed by the European Union.

Luik Optimistic for Settlement of Russia Border Problem

LD3003180895 Moscow INTERFAX in English 1514 GMT 30 Mar 95

[From the "Diplomatic Panorama" feature: by diplomatic correspondents Aleksandr Korzun, Igor Porshnev, Yevgeniy Terekhov, and others]

[FBIS Transcribed Text] TALLINN, Mar 30 (Interfax)—Estonian Foreign Minister Juri Luik said he believed that the Estonian-Russian border problem could be resolved by signing a bilateral treaty within the scope of the Pact of Stability in Europe concluded in Paris.

Luik told an Interfax correspondent in Tallinn today that the problem could be resolved this year.

He said the present position of Russia was more constructive than earlier.

Luik said he was optimistic due to the optimism of the participants in the final conference on the Pact of Stability in Europe and the interest of the world community in settlement of the problem. He said the participants in the conference agreed that the problem could and must be resolved by political methods.

Luik said it was very important for Tallinn that Estonia's position was reflected in the Pact. He said the term "internationally-recognized borders" was used in the Pact instead of "the existing borders" as in the OSCE documents. He said that for Estonia the border fixed in the Tartu Peace Treaty of 1920 was "internationally-recognized." He said all countries except Russia were ready to accept the Tartu Treaty.

In accordance with the Tartu Treaty, Estonia received some territories in North-West Russia. The territories were returned to the USSR in 1940 after Estonia joined the USSR. Luik said Moscow proceeded from the belief that the Tartu Peace Treaty had become invalid since 1940.

Latvia

PRC's Qian Qichen Meets President Ulmanis

LD3103124595 Riga Radio Riga Network in Latvian 0900 GMT 31 Mar 95

[FBIS Translated Text] Chinese Foreign Minister Qian Qichen is continuing his visit to Latvia. At present, the guest is meeting Latvian President Guntis Ulmanis at Jurmala. This morning, the Chinese foreign minister met Saeima Chairman Anatolijs Gorbunovs, Finance Minister Andris Piebalgs, and Economics Minister Janis Zvanitajs. During the official visit, the Chinese foreign minister has also had meetings with Latvian Foreign Minister Valdis Birkavs and Prime Minister Maris Gailis.

Foreign Ministry Protocol Signed

LD3003184195 Moscow INTERFAX in English 1527 GMT 30 Mar 95

[FBIS Transcribed Text] MOSCOW, Mar 30 (Interfax)—Latvian Foreign Minister Valdis Birkavs and Chinese Foreign Minister Qian Qichen signed a protocol on consultations between the foreign ministries of these two countries in Riga today.

The Chinese foreign minister is now in Latvia on an official visit.

The Latvian Foreign Ministry's press center told Interfax that the ministers were satisfied with normalization of relations between Latvia and China. Contacts between the two countries were suspended for a long time after Taiwan opened its consulate in Riga in early 1992. In response to this, China recalled its ambassador from Riga. China reaccredited its ambassador to Latvia only in early March 1995.

Foreign Ministry: Russia 'Must Accept' Refugees

LD3103125095 Moscow INTERFAX in English 1104 GMT 31 Mar 95

[FBIS Transcribed Text] Riga, Mar 31 (Interfax)—"Russia must accept refugees from Asia and take care of their future", the Latvian Foreign Ministry has said in a note handed to the Russian embassy in Riga.

According to the Latvian Foreign Ministry's press center, the note says the Latvian authorities have proof that refugees from Asian countries had penetrated into Latvia from Russian territory. The Latvian Foreign Ministry's official said he did not understand the Russian authorities' refusal to allow the refugees back into Russia.

The Kurdish, Afghan and Palestinian refugees, including children, were detained by the Latvian police in Riga on

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March 21 and expelled to Russia. However, the Russian border guards in the Kaliningrad region did not allow them return to Russia.

The refugees are currently staying in two railway cars at the Karsava station in Latvia.

Russian Border Guards Will Not Allow Refugees To Enter

WS3003141695 Tallinn BNS in English 1300 GMT 30 Mar 95

[FBIS Transcribed Text] Riga, Mar 30, BNS—Russian borderguards sent their Latvian counterparts a note Wednesday stating that they will not allow approximately 100 Kurdish, Afghan and Palestinian refugees to enter the territory that they guard, a border guard representative told BNS.

As reported earlier, Latvian borderguards have already sent a list of the illegal refugees' former permanent addresses in Russia and Belarus to the Russian Federal Border Guard Service and its North West Division Directorate.

In a Lithuanian Interior Ministry announcement forwarded to Latvian Border Guards, the refugee addresses are hostels in the Moscow region and in Minsk.

The Russian borderguard announcement says that it is not possible to verify the former places of residence of the refugees or to state if they crossed state borders legally.

As BNS reported earlier, the Asian refugees are currently located at Latvia's Karsava railway station after having crossed the Latvian border many times since March 23.

Lithuania

Brazauskas: 'Very Useful' Visits to Moldova, Ukraine

LD3003154495 Moscow ITAR-TASS in English 1247 GMT 30 Mar 95

[By ITAR-TASS correspondent Vladas Burbulis]

[FBIS Transcribed Text] Vilnius March 30 TASS—The visits to Moldova and Ukraine were very useful, Lithuanian President Algirdas Brazauskas told a press-conference on Thursday [30 March], summing up the results of his recent visits to the countries.

"During my official visits to Moldova and Ukraine, I never heard critical remarks with regard to Lithuania's wish to become a member of NATO", Brazauskas noted.

The president said that Kiev favoured the idea that Lithuania should become the gates for Ukraine to north Europe, while Ukraine should be Lithuania's gates to the south.

During the visits, relations with Russia and the situation in Chechnya were raised. "Our stances on the issues coincided", Brazauskas said.

"I am somewhat surprised at Moscow's position regarding NATO's expansion in the east and I believe Moscow will change its viewpoint. However, I think relations between Russia as a great power and NATO should be somehow determined, in an agreement or protocol, which would certainly clarify the issue. Nobody should forget that entering NATO is a long-term process", the president noted.

Brazauskas said that he would decide by April 1 whether to attend next May's Victory Day festivities in Moscow. "We hold consultations on this with the presidents of Latvia and Estonia and it will be soon cleared up", he said.

Foreign Ministry Protests Status of Lithuanians in Latvia

LD3003164295 Moscow ITAR-TASS in English 1444 GMT 30 Mar 95

[By ITAR-TASS correspondent Vladas Burbulis]

[FBIS Transcribed Text] Vilnius March 30 TASS—The Lithuanian Foreign Ministry today expressed concern over unregulated juridical status of Lithuanian citizens living in the territory of the neighbouring country.

A note sent to official Riga drew attention to the fact that Latvia's migration and citizenship department is dragging on its decisions on registering Lithuanian citizens living in Latvia. As a result of this citizens of Lithuania are finding themselves in a condition without rights.

The Lithuanians, who happened to be in Latvia, have to face various complications. For example, they are not registered as citizens of the republic, cannot legally work, experience great difficulties in their attempts to seek medical treatment, and cannot register their marriages in civil registry offices.

The Lithuanian Embassy in Riga has repeatedly approached various state bodies about this problem. But no reply has been received until [as received] now.

Russia Told To Remove Former Border Post

LD3003205895 Vilnius Radio Vilnius in English in Lithuanian 1900 GMT 30 Mar 95

[FBIS Transcribed Text] The Lithuanian Foreign Ministry has required that the Russian border patrol remove the former border post in the village of Ramoniskes in western Lithuania.

Last week the Russian side unilaterally put up another set of border signs on the Lithuanian territory, marking it as Russia's Kaliningrad region.

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The Lithuanian Foreign Ministry reports that both sides have pledged not to make unilateral decisions on the border issue.

According to the deputy foreign minister, neither Russian nor Kaliningrad authorities were informed about the incident. The Russian border patrol said that the border signs were put up by mistake.

Brazauskas: Kurdish Refugees Issue 'Flagrant Disgrace'

LD3003154395 Moscow ITAR-TASS in English 1510 GMT 30 Mar 95

[By ITAR-TASS correspondent Vladas Burbulis]

[FBIS Transcribed Text] Vilnius March 30 TASS—Lithuanian President Algirdas Brazauskas qualified as "flagrant disgrace" the deportation of a big group of Kurds from Latvia via Lithuania to Russia and back which has been going on for a week. The Kurds tried to illegally travel through Latvia and Lithuania to the West and are now reportedly stuck in a train somewhere between the three countries.

The Lithuanian Foreign Ministry "must seriously deal with the problem and sign with neighbouring states agreements or other documents on the rules of deporting illegal emigrants", Brazauskas told a press conference Thursday.

He added that such "trips" by emigrants had become a massive phenomenon of late and pose a big problem not only for Lithuania, but also for Russia, Poland and Ukraine. "It is therefore necessary to reach concrete agreements with Latvia and Russia on the issue, to urgently adopt a law on the status of refugees", the president said.

Slezevicius: 'Desired Result' Not Achieved

WS3103093995 Tallinn BNS in English 1900 GMT 30 Mar 95

[FBIS Transcribed Text] Vilnius, Mar 30, BNS—There are a number of areas in which the Lithuanian Government has failed to achieve the desired result, Prime Minister Adolfas Slezevicius said at a news conference Thursday [30 March].

But, the premier said, "we have achieved essential improvements in those areas where we sought them most." He presented the following examples: inflation is 26 times lower than in 1992; the gross domestic product has grown from minus 35 percent in 1992 to plus 1-1.5 percent in 1994; and actual income has increased by 20 percent in two years.

On March 31, the Slezevicius government will enter its third year in office. It is the sixth and longest-surviving Lithuanian Cabinet after the restoration of independence in 1990.

Slezevicius noted that investments have also considerably increased over the past two years. They made up 13 percent of foreign capital in Lithuania during 1990-92 and 87 percent during 1993-94. "We are witnessing such investments that we did not even dream of," he added.

The premier said about 100 million U.S. dollars are to be invested in the construction of an oil terminal on the Lithuanian seashore. About 20-25 million dollars are likely to be pumped into the reconstruction of a former Soviet airfield in western Lithuania. Denmark's national oil and gas company intends to invest around 85 million dollars in Lithuanian oil production and the U.S. electronics giant Motorola plans to spend some 40-50 million dollars on the modernization of the country's cellular telephone network. Nearly all these investments are expected this year, Slezevicius said.

Asked about the most pressing problems, the premier said primary attention will be paid to social welfare, budget matters, the work of customs, law and border enforcement.

Slezevicius said the government is currently working on measures that are expected to improve the administration of taxes. He also announced that the fiscal deficit presently amounts to 82 million lits.

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